

1980

c 384 Power Corporation Act

Ontario

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CHAPTER 384

Power Corporation Act

1. In this Act, unless the contrary intention appears, Interpre-
tation

- (a) "Board" means the Board of Directors of the Corporation;
- (b) "buildings" includes all buildings, structures and works that the Corporation may deem necessary for the purposes of this Act;
- (c) "chairman" means the chairman of the Board and chief officer of the Corporation;
- (d) "Corporation" means the body corporate referred to in section 2;
- (e) "director" means a member of the Board;
- (f) "land" means real property of whatsoever nature or kind, and includes tenements, hereditaments and appurtenances, and any estate, term, easement, right or interest in, to, over, under or affecting land;
- (g) "Minister" means the Minister of Energy;
- (h) "owner" includes a mortgagee, lessee, tenant, occupant and any other person entitled to a limited estate or interest in land and a guardian, committee, executor, administrator or trustee in whom land is vested;
- (i) "power" includes electrical, pneumatic, hydraulic, mechanical, nuclear, steam, gas or other power and also includes energy;
- (j) "president" means the president of the Corporation;
- (k) "supply" includes delivery, dealing in, and sale;
- (l) "Treasurer of Ontario" means the Treasurer of Ontario and Minister of Economics;

(m) "works" includes all roads, plant, machinery, buildings, erections, constructions, installations, materials, devices, fittings, apparatus, appliances, equipment and other property for the development, generation, transformation, transmission, conveying, distribution, supply or use of power;

(n) if a power is conferred or a duty is imposed on the Corporation or the Board, the power may be exercised and the duty shall be performed from time to time as occasion requires. R.S.O. 1970, c. 354, s. 1; 1973, c. 57, s. 3.

PART I

THE CORPORATION

Corporation 2. Ontario Hydro is continued as a body corporate and shall be composed of those persons who from time to time comprise its Board. 1973, c. 57, s. 4, *part, revised*.

Composition of Board 3.—(1) There shall be a Board of Directors of the Corporation consisting of a chairman, a vice-chairman, a president and not more than ten other directors.

Chairman (2) The chairman shall be appointed by the Lieutenant Governor in Council to hold office for a term not exceeding five years and may be reappointed for further successive terms not exceeding five years each.

Directors (3) Each of the directors, other than the chairman and the president, shall be appointed by the Lieutenant Governor in Council to hold office for a term not exceeding three years and may be reappointed for two further successive terms not exceeding three years each.

Vice-chairman (4) The vice-chairman shall be designated by the Board from among the directors appointed by the Lieutenant Governor in Council.

President (5) The Board shall appoint the president who shall be employed by the Corporation upon such terms of employment as the Board considers desirable.

Remuneration (6) The chairman and the other directors appointed by the Lieutenant Governor in Council shall be paid such remunera-

tion and expenses by the Corporation as may be determined from time to time by the Lieutenant Governor in Council, and such remuneration and expenses shall be part of the administration expense of the Corporation.

(7) Notwithstanding anything in the *Legislative Assembly Act*, the appointment of any director of the Corporation if a member of the Assembly, shall not be avoided by reason of the payment to him or the acceptance by him of any remuneration or expenses under this Act, nor does he thereby vacate or forfeit his seat or incur any of the penalties imposed by that Act for sitting and voting as a member of the Assembly. Seat in Assembly not vacated R.S.O. 1980, c. 235

(8) A director appointed by the Lieutenant Governor in Council may be removed from office before the expiration of his term for cause, and the Lieutenant Governor in Council may appoint any person in his stead for the remainder of his term. 1973, c. 57, s. 4, *part*. Removal of director for cause

4.—(1) The business and affairs of the Corporation are under the direction and control of the Board and the chairman shall preside at all meetings of the Board. Powers of Board

(2) Meetings of the Board shall be held at the call of the chairman, but in no case shall more than one month elapse between meetings of the Board. Meetings of Board

(3) The chairman shall call a meeting of the Board immediately upon being requested to do so in writing by a majority of the other directors. Calling of meetings

(4) In the event of the absence of the chairman and the vice-chairman from any meeting of the Board, the directors present shall elect an acting chairman who, for the purpose of the meeting, shall act as and have all the powers of the chairman. Absence of chairman

(5) A majority of the directors for the time being constitutes a quorum for the transaction of business at meetings of the Board. 1973, c. 57, s. 4, *part*. Quorum

5.—(1) The Board may pass resolutions regulating its proceedings, specifying the powers and duties of the officers and employees of the Corporation and generally for the conduct and management of the business and affairs of the Corporation. Resolutions of Board

(2) The Board may appoint a finance committee consisting of the chairman, the vice-chairman, the president and Finance committee

three other directors and may delegate to the committee the powers of the Board under sections 51 and 55, subject to the restrictions, if any, imposed from time to time by the Board.

Quorum of committee

(3) Three members of the finance committee, of whom one shall be the chairman or the vice-chairman or the president, constitute a quorum sufficient for the exercise of all the powers of the committee. 1973, c. 57, s. 4, *part*.

Chairman to act full time

6.—(1) The chairman shall devote his whole time to the performance of his duties.

Where office of chairman vacant, etc.

(2) If the office of chairman is vacant, or in the absence of the chairman from the Province or during his incapacity to act, or at the request of the chairman, the vice-chairman shall act as chairman and while so acting has all the powers and shall discharge all of the duties and functions of the chairman. 1973, c. 57, s. 4, *part*.

Officers and employees

7.—(1) The Corporation may appoint and employ upon such terms as it approves such officers and employees as it considers necessary for the conduct of the affairs of the Corporation. 1973, c. 57, s. 5 (1).

Apportionment of salaries and expenses

(2) The salaries, remuneration and expenses of persons appointed or employed by the Corporation, as well as any other expenses of the Corporation, shall be apportioned by the Corporation among, and are chargeable to, the various works and undertakings carried on by the Corporation upon which such persons are employed, but any portion of such salaries, remuneration and expenses that are not properly chargeable to such works or undertakings and that are earned or incurred in the performance of work or services other than those rendered in respect of works or undertakings of the Corporation under contract with municipal corporations are chargeable to and payable out of such moneys as are appropriated for that purpose by the Legislature.

Certain expenditures to be included as part of cost of supplying power

(3) Any expenditure heretofore or hereafter incurred by the Corporation,

(a) for works or services in carrying out the directions of the Lieutenant Governor in Council or for which the Corporation has had other proper authority and that has not already been included in the cost of power to municipal corporations under contract with the Corporation but that, in the opinion of the Corporation, has proved or may ultimately prove beneficial to municipal corporations under contract with the

Corporation for a supply of power, or to municipal corporations that may from time to time thereafter enter into such contracts;

- (b) considered necessary or desirable by the Corporation in the interests of municipal corporations then or that may thereafter be under contract with the Corporation for a supply of power, in carrying on, promoting or extending the operations of the Corporation in connection with the generation, distribution or supply of power or for any work or service considered by the Corporation incidental thereto,

may be included by the Corporation as part of the cost of supplying power to any of such municipalities and shall be apportioned by the Corporation as provided in this section and section 75.

- (4) The apportionment by the Corporation of such salaries, remuneration and expenses is final. R.S.O. 1970, c. 354, s. 7 (2-4); 1973, c. 57, s. 2. Apportionment to be final

- (5) Every director and every officer of the Corporation, and his heirs, executors and administrators, shall be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses that he sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing made, done or permitted by him in or about the execution of the duties of his office and any payments made by the Corporation with respect to such costs, charges and expenses shall be part of the administration expense of the Corporation. 1973, c. 57, s. 5 (2). Indemnification of officers and directors

- (6) Neither the Province of Ontario nor the Corporation nor any director thereof shall incur any liability by reason of any error or omission in any estimate, plan or specification prepared or furnished by the Corporation. R.S.O. 1970, c. 354, s. 7 (6); 1973, c. 57, s. 5 (3). Non-liability for errors in estimates, plans, etc.

8. The fiscal year of the Corporation is the period from the 1st day of January to the 31st day of December in the same year. R.S.O. 1970, c. 354, s. 9; 1973, c. 57, s. 2. Fiscal year

9. The Corporation shall, after the close of each fiscal year, file with the Minister an annual report upon the affairs of the Corporation signed by the chairman or the vice- Annual report

chairman of the Corporation and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session. 1973, c. 57, s. 7.

**Audit of
accounts**

10.—(1) The accounts of the Corporation shall, upon the direction of the Lieutenant Governor in Council, be from time to time, and at least once every year, audited and reported upon by an auditor or auditors named in the direction of the Lieutenant Governor in Council.

**Expenses
of audits**

(2) The expenses of such audits shall be fixed by the Corporation, with the approval of the Lieutenant Governor in Council, and are payable by the Corporation as part of the costs of administration of the Corporation. R.S.O. 1970, c. 354, s. 11; 1973, c. 57, s. 2.

**Application
of income of
Corporation**

11. The income of the Corporation shall be applied by the Corporation,

- (a) to meet its necessary operating expenses;
- (b) to the preservation, improvement, supervision, depreciation, repair, maintenance and insurance of its works;
- (c) to the payment of the remuneration and expenses of the directors and the officers and others employed by the Corporation;
- (d) for the operations of the Corporation under sections 57 and 69 and to meet obligations, charges and expenses arising from time to time in the course of such operations;
- (e) to meet interest expense and expenses of debt service and interest credited on the balances remaining from time to time to the credit of reserve accounts established under this Act;
- (f) to provide reserves authorized by sections 13, 14, 15 and 16; and
- (g) to such other purposes as are authorized or required by this Act. R.S.O. 1970, c. 354, s. 12; 1973, c. 57, ss. 2, 8.

**General
fund**

12. All special funds and the income and revenue thereof and all moneys and revenues that now are in or hereafter come into the hands of the Corporation, whether as agent,

trustee, owner or otherwise, form one fund to be known as the general fund, and the Corporation has power to make any and all expenditures out of the general fund for the purposes and objects of the Corporation without regard to the special trusts or purposes under which the general fund or any part thereof may come into its hands, and the Corporation shall account for and pay out of the general fund all moneys for which it is so accountable. R.S.O. 1970, c. 354, s. 13; 1973, c. 57, s. 2.

13.—(1) The Corporation may establish and maintain ^{Reserve} reserve accounts, _{accounts}

- (a) to provide for the depreciation, reconstruction and repair of works constructed or operated by the Corporation;
- (b) to provide a reserve as insurance against loss or damage to any property of the Corporation or loss or damage to the persons or property of others caused by or arising from the works or operations of the Corporation,

and may place to the credit of such reserve accounts and expend, use, apply, utilize and appropriate therefrom for the purposes of this section such amounts as are in the opinion of the Corporation sufficient for the purposes of this section.

(2) The Corporation may place to the credit of such reserve ^{Interest} accounts interest at such rates as the Corporation considers equitable and just upon the balances remaining from time to time to the credit of such reserve accounts. R.S.O. 1970, c. 354, s. 14; 1973, c. 57, s. 2.

14.—(1) The frequency standardization reserve account ^{Frequency} may be maintained on the books of the Corporation and _{standardiza-} the Corporation may place to the credit of such account, _{tion reserve}

- (a) such amounts as the Corporation collects under clause 25 (e);
- (b) such amounts as may be made available for the credit of this account under subsection 69 (2);
- (c) such additional amounts as in the opinion of the Corporation are necessary for the purposes of this section;
- (d) interest at such rates as the Corporation considers equitable and just upon balances remaining from time to time to the credit of the account.

Use of
moneys

(2) Any or all of the amounts at the credit of the frequency standardization reserve account may be used in the discretion of the Corporation for meeting any expenditure or costs made or incurred under section 25, 27 or 28, except expenditure or costs made or incurred in respect of works held by it under section 83. R.S.O. 1970, c. 354, s. 15; 1973, c. 57, s. 2.

Stabiliza-
tion and
contingencies
reserve

15.—(1) The stabilization of rates and contingencies reserve account may be maintained on the books of the Corporation, and the Corporation may place to the credit of such account,

- (a) such amounts as the Corporation determines and collects for the purposes of this section from its customers and such other amounts as are in its opinion sufficient for the purposes of this section;
- (b) interest at such rates as the Corporation considers equitable and just upon balances remaining from time to time to the credit of the account.

Idem

(2) Any or all of the moneys in the stabilization of rates and contingencies reserve account may be used in the discretion of the Corporation for determining, and for adjusting and apportioning, including making equitable and stabilizing, the amounts payable to the Corporation by persons or municipal corporations; and to meet any expenditures or costs caused by or arising from injury to, or destruction, obsolescence or loss of use of any works or other property of the Corporation; and to meet other contingencies arising in the operations of the Corporation; and to provide for such part of the cost of properties to be acquired or that have been acquired as is not allocated to specific works; and to meet the costs and expenses incurred by the Corporation that, in the opinion of the Corporation, are for the protection or advancement of the interests in the undertakings under its supervision or control and that are not properly chargeable to any person or specific municipal corporation to which the Corporation supplies power. R.S.O. 1970, c. 354, s. 16; 1973, c. 57, s. 2.

Sinking
fund

16. The Corporation shall set apart annually as a sinking fund,

- (a) such sums as are received by the Corporation from municipal corporations under clause 75 (c), and section 76, and such sums as are appropriated by the Corporation for sinking fund purposes out of the revenues received from the supply of power under section 69 to

persons within the area of a municipal corporation that has contracted with the Corporation for a supply of power at cost;

- (b) such sums as are appropriated by the Corporation for sinking fund purposes out of the revenues received from the supply of power in the rural power district;
- (c) such sums as are appropriated by the Corporation for sinking fund purposes for the repayment of any indebtedness incurred or assumed by the Corporation in respect of the cost of administrative service buildings and equipment, and for the restoration of any reserve or other funds of the Corporation utilized for the payment of the cost thereof. R.S.O. 1970, c. 354, s. 17; 1973, c. 57, s. 2.

17. All funds set apart by the Corporation as a sinking fund under section 16 shall be used or employed, Application of funds set apart as sinking fund

- (a) towards repayment of advances made by Ontario to the Corporation and towards the retirement of other indebtedness incurred or assumed by the Corporation;
- (b) to restore reserves or other funds of the Corporation utilized for the payment of the cost of works; and
- (c) to purchase for sinking fund purposes, and from time to time vary, securities that the Corporation is authorized to purchase under section 19. R.S.O. 1970, c. 354, s. 18; 1973, c. 57, s. 2.

18.—(1) The Lieutenant Governor in Council may authorize the Corporation to postpone the collection or setting apart of any sums on sinking fund account to provide for the cost of any works newly constructed, acquired or performed for such period, not exceeding ten years, as is considered advisable. Postponement of sinking fund collection

(2) For the purposes of this section, "works", in addition to the meaning given to it in section 1, includes preliminary reports, surveys, investigations, engineering, accounting or organization work or service, or any other work or service in connection with or incidental to any proposed construction or development. R.S.O. 1970, c. 354, s. 19; 1973, c. 57, s. 2. Interpretation

19.—(1) The Corporation, whenever it considers it advisable for the sound and efficient management of its general fund, Management of funds

may from time to time, in its discretion and on such terms and conditions as it may consider advisable, purchase, acquire, hold and sell or otherwise dispose of any of the following securities:

1. The bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or Ontario or any other province of Canada.
2. The bonds, debentures or other evidences of indebtedness of the United States of America.
3. The bonds, debentures or other evidences of indebtedness of corporations referred to in clauses 388 (1) (c), (e), (f), (g), (i) and (k) of the *Insurance Act* and in which joint stock insurance companies may invest their funds.
4. The deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued or endorsed by any chartered bank to which the *Bank Act* (Canada) applies or by any other bank which is supervised or examined by the central bank or other governmental authority having supervision over banks in the jurisdiction in which the bank carries on business.
5. The guaranteed investment certificates of any trust company that is registered under the *Loan and Trust Corporations Act*. R.S.O. 1970, c. 354, s. 20 (1); 1973, c. 57, ss. 2, 9 (1).

R.S.O. 1980,
c. 218

1980-81,
c. 40 (Can.)

R.S.O. 1980,
c. 249

Deposit of
funds

(2) The Corporation may deposit from time to time any part of its general fund in any chartered bank of Canada, in any trust company or loan corporation that is registered under the *Loan and Trust Corporations Act* or in any other bank that is supervised or examined by the central bank or other governmental authority having supervision over banks in the jurisdiction in which the bank carries on business on such terms and conditions and for such periods as the Corporation may consider expedient. 1973, c. 57, s. 9 (2).

Pension and
Insurance
Fund

20.—(1) The Pension and Insurance Fund of Ontario Hydro, in this section called the fund, is continued for the payment of benefits by way of pensions or superannuation allowances to, or allowances upon the death or disability of, such employees of the Corporation as the Corporation may determine in accordance with this section and any regulations made under this section, and for the purposes of this section, "employee" includes any member

or director of the Corporation who contributes or has contributed to the fund and any person in the employ of the Corporation on or after the 1st day of November, 1947. 1973, c. 57, s. 10 (1), *revised*.

(2) The fund shall consist of the moneys, securities and other assets in or credited to the fund in accordance with law and such amounts as are contributed thereto by the Corporation and its employees. Composition of fund

(3) The contributions of the employees towards the cost of the benefits mentioned in subsection (1) shall be as prescribed by the regulations made under this section and be paid into the fund in accordance therewith. Contributions of employees

(4) The Corporation shall contribute towards the cost of the benefits mentioned in subsection (1) the amount of the difference between the amount of the contributions of the employees and the amount of the cost of the benefits as determined by actuarial valuations. Contributions of Corporation

(5) The Corporation may enter into agreement with one or more insurers licensed under the *Insurance Act*, for, Insurance R.S.O. 1980, c. 218

(a) providing insurance by way of death or disability benefits for such employees of the Corporation as the Corporation may determine in accordance with this section and any regulations made under this section; and

(b) payment by the Corporation of the cost of the benefits mentioned in clause (a),

and the cost referred to in clause (b) shall be charged by the Corporation against the fund. R.S.O. 1970, c. 354, s. 21 (2-5); 1973, c. 57, s. 2.

(6) The Ontario Hydro Pension and Insurance Plan is continued. 1973, c. 57, s. 10 (2). Ontario Hydro Pension and Insurance Plan

(7) Subject to the approval of the Lieutenant Governor in Council, the Corporation may make regulations with respect to the Ontario Hydro Pension and Insurance Plan, in this subsection called the "plan", Regulations

(a) prescribing the class or classes of employees who are eligible to be members of the plan, the time at which

membership shall commence, and the period of time thereafter within which an employee may elect not to be a member of the plan;

- (b) providing for the payment out of the fund of the contributions made by any employee to the fund or to either of the funds superseded by the fund where the employee elects not to be a member of the plan;
- (c) prescribing the period of employment with the Corporation alone, or with a previous or subsequent employer and the Corporation, that constitutes service for the purpose of determining pension benefits;
- (d) providing for the transfer from or to the fund of a pension entitlement and prescribing the terms and conditions upon which pension benefits under the plan in respect of employment with a previous employer may be provided by the transfer to the fund of such a pension entitlement;
- (e) prescribing the persons who may receive benefits under the plan;
- (f) prescribing the contributions to the fund by employees and the rate or rates at which interest shall be calculated when payments are made out of the fund of any such contributions and of any contributions to either of the funds superseded by the fund;
- (g) prescribing the amount for which any employee or pensioner shall be insured from time to time;
- (h) prescribing the payments to be made from the fund, or by an insurer, upon,
 - (i) termination of employment,
 - (ii) retirement from employment on pension,
 - (iii) disability, or
 - (iv) death,

and the terms and conditions upon which, and the person or persons to whom, such payments shall be made;

- (i) providing for payment out of the fund of the cost of any benefits provided under any agreement referred to in subsection (5);
- (j) prescribing the intervals of time within which an actuarial valuation of the fund shall be made;
- (k) respecting any matter necessary or advisable to carry out effectively the intent and purpose of this section. R.S.O. 1970, c. 354, s. 21 (6); 1973, c. 57, ss. 2, 10 (3, 4).

(8) The fund shall be maintained and administered by the Corporation, and the cost to the Corporation of maintaining and administering it shall be deemed to be part of the cost of the administration of the Corporation and is chargeable accordingly, and the Corporation may invest in, purchase, acquire, hold and sell investments and loans authorized by the *Pension Benefits Act* and any regulations made thereunder. Cost to Corporation chargeable to administration
R.S.O. 1980, c. 373

(9) The interest of any person in the fund or in any benefit payable therefrom is not subject to garnishment, attachment or seizure or any legal process and is not assignable. R.S.O. 1970, c. 354, s. 21 (7, 8); 1973, c. 57, s. 2. No attachment, etc.

21. The Corporation, with the approval of the Lieutenant Governor in Council, may enter into agreement with any municipal corporation receiving power from the Corporation for including in the fund mentioned in section 20 employees of any commission established under the *Public Utilities Act*, or under this Act, for the management and control of works for the distribution of power in the municipality, upon such terms as to the contribution by the municipal corporation and otherwise as is considered expedient. R.S.O. 1970, c. 354, s. 22; 1973, c. 57, s. 2. Municipal employees may be included in fund
R.S.O. 1980, c. 423

REPORT ON WATER POWERS

22. Whenever required by the Lieutenant Governor in Council, the Corporation shall inquire into, examine and investigate water powers or water privileges in Ontario and report upon the value and capacity thereof, with such other information as the Lieutenant Governor in Council may require. R.S.O. 1970, c. 354, s. 23; 1973, c. 57, s. 2. Corporation to report on water powers, etc.

ACQUISITION OF PROPERTIES

23.—(1) The Lieutenant Governor in Council may authorize the Corporation at any time and from time to time Power may be given to Corporation

to acquire by purchase, lease, or in any other manner, or without the consent of the owner thereof to enter upon, take possession of, expropriate and use, any land, lake, river, stream or other body of water or watercourse, and temporarily or permanently to divert or alter the boundaries or course of any lake, river, stream or other body of water or watercourse, or raise or lower the level of the same or flood or overflow any land.

Power may
be given to
Corporation.

(2) In particular, but without limiting the generality of subsection (1), the Lieutenant Governor in Council, upon the recommendation of the Corporation, may authorize the Corporation to,

to acquire
lands,
waters,
powers and
works

(a) acquire by purchase, lease or otherwise, land, waters, water privileges, water powers, buildings and works used for, or adapted or useful for, or capable of being used or made useful for generating, transforming, transmitting, distributing or selling power; enter upon, take possession of, expropriate, acquire and use any such land, waters, water privileges, water powers, buildings and works without the consent of the owner thereof, or of any person in any manner entitled to any right, title, interest, claim or demand thereto or therein; and have and hold them however acquired or obtained, and develop, utilize, use, maintain, operate and improve them for any of the purposes of this Act;

to acquire
assets and
undertaking
of com-
panies

(b) acquire by purchase the whole or any part of the property, assets and undertaking of any corporation engaged in the production or sale of power, including shares held or owned by the corporation in any other company or companies of any kind or nature whatsoever, and to acquire the whole or any part of the properties, assets and undertakings of such other company or companies and to hold, develop, utilize, use, maintain, operate and improve any property or properties so acquired;

to acquire
and construct
works for
production
and use of
power

(c) generate and produce power at places in Ontario by the use of water, coal, steam or oil, or by any other means, and transform, transmit, make available for use, distribute, deliver, sell, supply and generally use for the purposes of the Corporation such power and connect the works constructed or installed for these purposes with any other power works and with any system;

- (d) for the purposes of clause (c) acquire by purchase ^{to acquire and use real and personal property for the generation and use of power} lease or otherwise, hold, improve and use real and personal property, acquire by purchase or otherwise water, coal, steam, oil and other supplies, and construct, maintain and operate works, including without limiting the generality of the foregoing, development works, generating plants, transformer stations, transmission lines, switching and regulating works, distribution lines, access and other roads, and all other equipment, plant and works and things required for or incidental to any of such purposes;
- (e) acquire by purchase, lease or otherwise, lands, works, ^{to acquire works on provincial boundaries} waters, water privileges and water powers upon or adjacent to the boundary line between Ontario and any other province and situate in Ontario, or in such other province, or partly in one and partly in the other of them, and erect, construct, maintain and operate upon any lands so acquired, works for the generation, transformation and transmission of power, and enter into agreements with the Crown in right of such other province or with any commission appointed by the Lieutenant Governor in Council of such other province or otherwise lawfully appointed or any other person interested in or affected by such works as to the terms and conditions upon which such works shall be constructed and operated and any rights so acquired be exercised;
- (f) acquire by purchase in the open market or otherwise ^{to acquire shares in companies operating on such boundaries} shares or stock of any company owning or controlling any such lands, waters, water privileges, water powers or works;
- (g) construct, maintain and operate, and acquire by purchase, lease or otherwise, or without the consent of the owner thereof or of any person interested therein, ^{to acquire plant for transmitting and transforming power} enter upon, take possession of, expropriate and use all erections, machinery, plant and other works and appliances for the transmission, transformation, supply and distribution of power, and conduct, store, transmit, transform and supply power for the purposes of this Act, and with lines of wires, poles, conduits, pipes, motors, transformers or other conductors, equipment or devices, receive, conduct, convey, transmit, transform, distribute, supply or furnish such power to or from or for any person at any place, through, over, under, along, upon or across any land, public highway or public place, stream, water, watercourse, bridge, viaduct or railway, and through, over, upon or under the land of any person;

to contract
for supply
of power to
Corporation

- (h) contract with any person generating, transmitting or distributing power, or proposing so to do, to supply power to the Corporation, and require any person generating, transmitting or distributing power to supply so much thereof as the Corporation may require;

to flood lands
and improve
water powers

- (i) enter upon, take and use, without the consent of the owner thereof, any land upon which any water power or privilege is situate, or any lake, river, stream or other body of water that, in the opinion of the Corporation, is capable of improvement or development for the purpose of providing water power, and construct such dams, sluices, canals, raceways and other works as are considered proper or expedient for such purposes, and flood and overflow any land to the extent to which the Corporation considers necessary for the purpose of providing storage of the water or for any other purpose in connection with such works, and contract with any municipal corporation, company or individual for the use of any of the improvements or works so made, on such terms and conditions as may be agreed upon;

to acquire
flooded lands
on behalf of
municipality

- (j) enter upon, take and use, without the consent of the owner thereof, any land that may, in the opinion of the Corporation, be necessary for the full enjoyment and exercise of any water right, water privilege or improvement undertaken by the Corporation or by any municipal corporation or for the relief of the municipal corporation from liability for damages for the flooding or overflowing of such lands; but subject to subsection 40 (1), the proceedings taken under this clause shall be at the sole expense of the municipal corporation, and the Corporation may convey the lands so acquired to the municipal corporation or make such other disposition thereof with the consent of the municipal corporation as is considered expedient;

to acquire
distributing
plant

- (k) acquire by purchase or expropriate any plant, machinery, appliances, wires, poles and other equipment, and the land occupied by or used in connection therewith or any part thereof, used or intended for the distribution of power in a municipality whose corporation has entered into an agreement with the Corporation for the supply of power and contract for the sale and transfer to such municipal corporation of such plant, equipment and land upon such terms and for such price, not being less than the price paid by the Corporation, with the expenses in

connection with such purchase or expropriation added thereto, as may be agreed upon;

- (l) acquire from time to time by purchase in the open market or otherwise, shares or stock in or the securities of any corporation carrying on the business of developing, distributing or transmitting power and for the purposes of this Act the acquisition of such shares, or stock, or securities is an investment in works; to acquire shares in corporations
- (m) acquire by purchase or otherwise on any terms and hold shares in any corporation carrying on the business of developing, supplying or transmitting power, and in connection with any such acquisition enter into any covenants and agreements, and pay for any such shares either in cash or in bonds, debentures or other securities of the Corporation, and guarantee, or covenant or agree for or in respect of the payment or performance of any bonds, debentures, securities, contracts or obligations of any corporation whose shares are so acquired, or of any corporation whose shares are held by any corporation whose shares are so acquired, and for the purposes of this Act the acquisition of shares of such corporations shall be deemed to be an investment in works; to acquire stock in development corporations
- (n) lease or operate the works for the generation, transmission, distribution or use of power of any person, firm or corporation on such terms as the Corporation arranges with the owner. R.S.O. 1970, c. 354, s. 24 (1, 2); 1973, c. 57, s. 2. to lease or operate works of others

(3) In relation to all matters authorized by the Lieutenant Governor in Council under this section, the Corporation has and may exercise and enjoy, in addition to the powers conferred by this or any other Act, all the powers conferred upon the Minister of Government Services in relation to a public work by the *Ministry of Government Services Act*, and in the application of this section, where the words "the Minister", "the Ministry", "Her Majesty" or "the Crown" appear in that Act, they, where the context permits, mean the Corporation and where land or property is taken compulsorily by the Corporation, such taking shall be deemed to be for the public purposes of Ontario. R.S.O. 1970, c. 354, s. 24 (3); 1972, c. 1, s. 1; 1973, c. 2, s. 2; 1973, c. 57, s. 2. The Corporation has powers of Minister of Government Services

(4) The Lieutenant Governor in Council may direct that any authorization to the Corporation heretofore or hereafter Authorizations may be retroactive

given be retroactive, in which case the authorization shall be deemed to have taken effect from the time so fixed.

Exercise of
powers not
to be
enjoined, etc.

(5) No act or proceeding of the Corporation pursuant to any authorization of the Lieutenant Governor in Council under this section shall be restrained by injunction or other process or proceeding in any court.

R.S.O. 1980,
c. 446 not
to apply

(6) The *Regulations Act* does not apply to any authorization by the Lieutenant Governor in Council under this section. R.S.O. 1970, c. 354, s. 24 (4-6); 1973, c. 57, s. 2.

Change of
frequency

24. Subject to the approval of the Lieutenant Governor in Council and notwithstanding any agreement between the Corporation and any person, the Corporation may change the periodicity in alternations of current at which it supplies power to any person. R.S.O. 1970, c. 354, s. 25; 1973, c. 57, s. 2.

Powers of
Corporation
on frequency
change-over

25. Subject to the approval of the Lieutenant Governor in Council, the Corporation may,

- (a) for the purposes of standardizing and making uniform the periodicity in alternations of current at which it supplies power, alter, reconstruct, rebuild, reassemble, construct, extend, replace or do whatever else may be necessary in respect of its works, works held by it under section 83 and, with their consent, works wherever situate of other persons who are supplying or purchasing or otherwise delivering or accepting delivery of power to or from the Corporation;
- (b) for the purposes of standardizing and making uniform the periodicity in alternations of current at which power generated or procured by it is utilized and with the consent of the owner, alter, reconstruct, rebuild, reassemble, construct, extend, replace or do whatever else may be necessary in respect of the equipment, apparatus, appliances, devices and works of any person by which such power is taken and used, except meters of any municipal corporation or commission or the equipment, apparatus, appliances, devices or works of any municipal corporation or commission used for distribution stations or distribution or street lighting systems;
- (c) bear the expense of anything done under clause (a);
- (d) bear the expense of anything done under clause (b) to the equipment, apparatus, appliances, devices or

works of commercial lighting consumers, or domestic or rural consumers other than rural power consumers;

- (e) charge to and collect from the owners of equipment, apparatus, appliances, devices or works other than the equipment, apparatus, appliances, devices or works mentioned in clause (d) the expense of anything done thereto under clause (b) to the extent approved by the Lieutenant Governor in Council and bear the balance of such expense. R.S.O. 1970, c. 354, s. 26; 1973, c. 57, s. 2.

26.—(1) The powers of the Corporation under clause 25 (b) with respect to the equipment, apparatus, appliances, devices and works of any person to whom a municipal corporation or commission supplies power that is supplied to it by the Corporation may, with the assent of the Corporation, be exercised by the municipal corporation or commission. Frequency standardization by municipalities

(2) Where pursuant to subsection (1) the powers are exercised by a municipal corporation or commission in respect of the equipment, apparatus, appliances, devices or works mentioned in clause 25 (d), the Corporation may bear the expense thereof. Where Corporation may bear cost

(3) Where under subsection (1) the powers are exercised by a municipal corporation or commission in respect of equipment, apparatus, appliances, devices or works other than those mentioned in clause 25 (d), such portion of the expense as the Corporation could have charged to and collected from owners of the equipment, apparatus, appliances, devices or works if the Corporation had exercised the powers itself, may, with the assent of the Corporation, be charged to and collected from the owners by the municipal corporation or commission and the balance borne by the Corporation. R.S.O. 1970, c. 354, s. 27; 1973, c. 57, s. 2. Where cost may be apportioned

27. The Corporation may do whatever will in its opinion effect a reduction in the cost of anything done or to be done under clause 25 (a) or (b). R.S.O. 1970, c. 354, s. 28; 1973, c. 57, s. 2. Reduction of cost of frequency change-over

28. Where the owner of any equipment, apparatus, appliances, devices or works by which is utilized power generated or procured by the Corporation changes them with the approval of the Corporation in order to take the power at a changed periodicity in alternations in current, the Corporation may bear the expense of the change to the same extent as Change made by owner

if it had effected the change itself under clause 25 (b). R.S.O. 1970, c. 354, s. 29; 1973, c. 57, s. 2.

**Ownership
of replaced
equipment**

29. Equipment, apparatus, appliances, devices or works, or any part thereof, replaced by the Corporation under clause 25 (b) becomes the property of the Corporation. R.S.O. 1970, c. 354, s. 30; 1973, c. 57, s. 2.

**Conversion
not a breach
of contract**

30. Nothing done under section 24 shall be deemed to be a breach of contract by the Corporation or entitles any person to rescind any agreement or release any guarantor from the performance of his obligation. R.S.O. 1970, c. 354, s. 31; 1973, c. 57, s. 2.

**Limitation
of actions
arising from
frequency
change-over**

31.—(1) No action shall be brought against any person in respect of anything done under section 24, 25, 26 or 27 after the expiration of one year commencing on the date when the cause of action arose.

**Notice of
claim**

(2) No action shall be brought against any person in respect of anything done under section 24, 25, 26 or 27 unless notice in writing of the claim has been served upon or sent by registered mail to such person within ninety days after the cause of action arose.

**No right
of action
in certain
cases**

(3) No action shall be brought against any person, and no person is liable for loss of use of anything, or loss of production of or by anything, or loss of profits by reason of anything done under section 24, 25, 26 or 27.

Saving

(4) Subsections (1) and (2) do not apply to any action between the Corporation and any person arising from any agreement between the Corporation and such person for the doing by such person for the Corporation of anything under section 24, 25, 26 or 27. R.S.O. 1970, c. 354, s. 32; 1973, c. 57, s. 2.

**Mode of
exercising
and extent
of powers**

32.—(1) Whenever the Corporation has been authorized by the Lieutenant Governor in Council to exercise any of its powers with respect to conducting, conveying, transmitting, distributing, supplying, furnishing or delivering power, it may enter upon, take possession of and use for such time as the Corporation considers desirable any land that the Corporation considers to be required for the due exercise of any of its powers with respect to conducting, conveying, transmitting, distributing, supplying, furnishing or delivering of power, and may construct upon the land any works requisite for any such purpose.

(2) The powers conferred upon the Corporation by or under this Act include the right to enter upon any land upon either side of the right of way acquired for the transmission or distribution lines or works of the Corporation, or upon any land upon either side of such lines or works, and to fell or remove any trees or branches thereof or any other obstruction upon any such land or upon any public highway or place that, in the opinion of the Corporation, it is necessary to fell or remove. R.S.O. 1970, c. 354, s. 33; 1973, c. 57, s. 2.

Removal of
trees and
obstructions
beside right
of way

33. Where a power exercised under section 23 or 32 constitutes an expropriation or injurious affection, the *Expropriations Act* applies. R.S.O. 1970, c. 354, s. 34.

Application of
R.S.O. 1980,
c. 148

34.—(1) Where a power exercised under section 23 or 32 does not constitute an expropriation or injurious affection, compensation shall be paid to the owner for all damage to property resulting from the exercise of the power in accordance with this section, but where the lines or works of the Corporation are situate upon a highway, whether it be the King's Highway or any other highway, compensation is payable only to the extent to which it is payable by a municipality for felling or removing trees or branches thereof under section 313 of the *Municipal Act*.

Compensa-
tion for
damage

R.S.O. 1980,
c. 302

(2) The Lieutenant Governor in Council may from time to time appoint a board of valuation consisting of as many members as he from time to time determines, one of whom shall be named chairman, who shall receive their reasonable and necessary travelling and other expenses and such fees as may be fixed by the Lieutenant Governor in Council, and the same shall be paid by the Corporation as part of its general administration expense, and, when no agreement is arrived at as to the amount of compensation to be paid to the owner, the board of valuation shall, as soon as conveniently may be after a request to them either from the owner or the Corporation, make such inquiries and inspection and procure such expert advice as they may think desirable and fix and determine the compensation to be paid for such property damage, and notify by registered mail the owner and the Corporation of such findings, and three members of the board of valuation shall form a quorum and be sufficient for the exercise of all the jurisdiction and powers of the board.

Appointment
and powers
of board of
valuation

(3) Either the owner or the Corporation, if dissatisfied with the amount of the compensation so fixed, may appeal within sixty days after the mailing of the notice of finding by the board of valuation by giving notice to the other that an appeal is desired.

Appeal from
valuator

Who to hear
appeals

(4) An appeal from the board of valuation shall be heard and determined by the Ontario Municipal Board or a member thereof, provided however that the Lieutenant Governor in Council may from time to time designate a judge of the Supreme Court or a judge of a county or district court to hear and dispose of any such appeal or appeals, and where the Corporation gives notice to the owner that an appeal is to be determined by a judge instead of by the Board or a member thereof, the judge designated shall hear and determine such appeal, and if a judge is so designated he shall receive his reasonable and necessary travelling expenses and such fee as is fixed from time to time by the Lieutenant Governor in Council and the same shall be paid by the Corporation as part of its general administration expense.

Powers of
judge or
Board on
appeal

(5) The judge or Board or member thereof, as the case may be, shall appoint such time and place and give such notice of the hearing of appeals as is thought proper and most convenient and the judge or Board or member thereof has for the purposes of this section all the powers that are conferred upon the Ontario Municipal Board by sections 34 and 37 of the *Ontario Municipal Board Act* and the provisions of that Act with respect to procedure and the enforcement of orders made thereunder from time to time apply with necessary modifications.

R.S.O. 1980,
c. 347

Costs of
appeal

(6) In the notice of appeal the appellant shall set out the amount that the appellant deems proper to have been fixed by the board of valuation and if, where the owner is the appellant, he fails to recover anything more than the amount fixed by the board of valuation, or if, where the Corporation is the appellant, it fails to have the amount so fixed reduced, then the costs of the proceedings as between party and party are payable by the appellant, and if, under this subsection, the costs are payable to the Corporation, they may be deducted from the compensation payable.

Scale of
costs

(7) The costs of the proceedings may be fixed by the judge or Board or member thereof at such amount as is considered proper, due regard being had to the difference between the amount fixed by the board of valuation and the amount awarded by the judge or Board or member thereof, or may be directed to be taxed upon the scale of the small claims, county or Supreme Court scale, as the case may be, and, if it appears on such appeal that the claim to compensation put forward by the owner is grossly excessive, and the expense of the Corporation has been thereby increased, the judge or Board or member thereof may fix and allow to the Corporation by way of set-off against such costs as are awarded to the owner hereunder, the amount of such excess expense.

(8) The owner shall, upon reasonable notice which, if written, may be given by mailing it by registered mail addressed to him at his last known place of residence, attend at a place to be fixed by the Corporation and execute such necessary instruments or documents as the Corporation requires upon tender to him of the Corporation's cheque for the amount awarded by the judge or Board or member thereof or fixed by the board of valuation, and costs, if any, less such costs as have been awarded against him. Mode of perfecting title

(9) The Corporation or the owner may, subject to sub- Appeals section 35 (2), appeal to the Divisional Court from the order of the judge or the Board or member thereof.

(10) Where the appeal is taken under subsection (9), section 95 of the *Ontario Municipal Board Act* as to appeals from the Board applies. R.S.O. 1980, c. 347 to apply R.S.O. 1970, c. 354, s. 35; 1973, c. 57, s. 2.

35.—(1) Notwithstanding section 34, where a claim is made against the Corporation for damage to crops, gardens, shrubs, trees or other growing things, caused by or incidental to the construction, maintenance or repair of poles, wires, towers or works included in or connected with power transmission lines, notice of the claim shall be given in writing, signed by the claimant at as early a date as possible, so that the nature, character, extent and evidence of the damage may still be apparent, and in any case not later than sixty days after the cause for complaint arose. Owner to give notice of crop damage

(2) If a claim is made after the time limited by subsection (1) and the claimant failed to give the notice therein required, either the Corporation or the owner may, notwithstanding such failure, request the board of valuation to attend and investigate the damage complained of, and the board of valuation, if satisfied that there was reasonable excuse for the failure to give or the insufficiency of the notice and that the Corporation was not thereby prejudiced, may award such compensation as appears to him to be just, and in that event the finding of the board of valuation is final and binding upon the owner and the Corporation. Effect of failure to give notice R.S.O. 1970, c. 354, s. 36; 1973, c. 57, s. 2.

36. In the exercise of the powers conferred and in carrying out any work authorized by this Act or any other general or special Act, the Corporation has and always has had authority to put down, carry, construct, erect and maintain such conduits, wires, poles, towers and other equipment and works used in the generation, transmission or distribution of power as it considers necessary or desirable, under, along, Powers of Corporation as to lines on highways

R.S.O. 1980,
c. 148

across or upon any public street or highway and to remove or replace them without taking any of the proceedings prescribed by the *Expropriations Act* for the taking of land without the consent of its owner, and the provisions of the *Expropriations Act* with regard to compensation do not apply, but the location of any such conduits, wires, poles, towers, equipment or works to be put down, carried, constructed or erected under, along, across or upon a public street or highway shall be agreed upon by the Corporation and the municipal corporation or other authority having control of the public street or highway, and in case of disagreement shall be determined by the Ontario Municipal Board. R.S.O. 1970, c. 354, s. 37; 1973, c. 57, s. 2.

Buildings

37.—(1) Subject to the *Expropriations Act*, the Corporation may expropriate, purchase, lease or otherwise acquire lands that the Corporation considers necessary for office, service, or other buildings and may erect thereon such buildings and works as the Corporation requires for its purposes.

Expense
repayable
by municipal
ities

(2) All expenditures by the Corporation for the purposes mentioned in subsection (1) are repayable to the Corporation by the municipal corporations having contracts with the Corporation, and shall be repaid by annual sums sufficient to form in forty years a sinking fund for the repayment of the cost thereof. R.S.O. 1970, c. 354, s. 38; 1973, c. 57, s. 2.

Disposal of
works to a
municipality

38.—(1) The Corporation, upon such terms as it considers proper, may sell, lease or otherwise dispose of to a municipal corporation or commission any land or works, or any interest therein, that the Corporation is or has been using and such sale, lease or other disposal shall be deemed to be an agreement within the meaning of clause 149 (2) (s) of the *Municipal Act*. 1973, c. 57, s. 11 (1).

R.S.O. 1980,
c. 302

Acquiring
property
from
municipality

(2) The Corporation may acquire from a municipal corporation or commission by purchase, lease or otherwise, upon such terms as the Corporation considers proper, any works or other property, real or personal, that the Corporation considers advisable for its purposes and such municipal corporation or commission may lease, sell or otherwise dispose of such works or other property to the Corporation without the assent of the electors or the approval of the Ontario Municipal Board required by section 36 of the *Public Utilities Act*, but otherwise such municipal corporation or commission shall comply with that section. R.S.O. 1970, c. 354, s. 39 (2); 1973, c. 57, s. 2.

R.S.O. 1980,
c. 423

Joint use
of works

(3) The Corporation, upon such terms as it considers proper, may contract with any corporation, firm or person for joint

ownership or joint use of works or for rights to use the works of any corporation, firm or person or to permit any corporation, firm or person to use works of the Corporation, and for the purposes of this subsection, works include telephone and telegraph lines and other communication works either of the Corporation or of any other corporation, firm or person in addition to the things mentioned in clause 1 (m). R.S.O. 1970, c. 354, s. 39 (3); 1973, c. 57, ss. 2, 11 (2).

(4) The Corporation may, upon such terms as it considers proper, sell, lease or otherwise dispose of any property, real or personal, that it finds unnecessary for its purposes. Sale of property

(5) The Corporation may contract with a railway company or power or transmission company for the use of its right of way and property for the purposes of the Corporation. Use of right of way
R.S.O. 1970, c. 354, s. 39 (4, 5); 1973, c. 57, s. 2.

39. The compulsory powers conferred by this Act or by *The Niagara Development Act, 1951* or by *The St. Lawrence Development Act, 1952* (No. 2) extend to land, works, rights, powers, privileges and property notwithstanding anything in this Act or in any general or special Act and notwithstanding that they are or may be deemed to be devoted to a municipal or any other public use or that the owner thereof possesses the power of taking land compulsorily and notwithstanding the origin, nature or sources of the owner's title thereto, whether statutory or otherwise or the manner whereby it was acquired by the owner or by any of his predecessors in title. Powers of expropriation 1951, c. 55; 1952 (2nd Sess.), c. 3
R.S.O. 1970, c. 354, s. 40.

40.—(1) Where in the exercise of the powers conferred by this Act the Corporation constructs any works or improvements upon any lake, river, stream or other body of water, the Lieutenant Governor in Council may direct a judge of the Supreme Court or the judge of a county or district court to inquire into and determine the proportion in which any municipal or other corporation, company or individual owning a water power or water power site, whether developed or not, is benefitted by such works or improvements, and the judge may make an order fixing the proportion in which the cost of such works and improvements shall be borne by any such municipal or other corporation, company or individual and by Ontario respectively. Adjustment of proportions of cost of works on waters

(2) The judge, upon an inquiry under this section, has the like powers as a judge sitting in court, including the power to compel the attendance of witnesses, to hear evidence on oath and to require the production of books, papers, documents, Powers of judge on inquiry

matters and things, and the order of the judge is enforceable in the manner provided by the *Judges' Orders Enforcement Act*.

R.S.O. 1980,
c. 222

Costs

(3) No costs shall be awarded to any party appearing before the judge or otherwise interested in the inquiry.

**Fees and
expenses**

(4) The judge shall be paid such fees and expenses as are fixed by the Lieutenant Governor in Council.

**Costs of
works, etc.,
what to
include**

(5) For the purposes of this section, the cost of the works or improvements shall be deemed to include all expenditures, charges and expenses as fixed by the Corporation made or incurred by it in respect of the construction of such works or improvements, extensions and additions thereto, interest charges, operating expenses, repairs and maintenance, down to the date of the order of the judge, the fees and expenses of the judge and the expenses incurred by the Corporation in connection with the inquiry.

Appeal

(6) Any municipal or other corporation, company or individual affected by the order made under subsection (1) may, with the consent in writing of the Corporation, appeal from such order to the Divisional Court.

Sinking fund

(7) The Corporation may establish a sinking fund to be provided by the parties in the proportions directed by the order of the judge sufficient to discharge and pay off the cost of such works or improvements and such of the capital cost as may be incurred from time to time by the Corporation after the date of the order of the judge within such periods as the Corporation fixes having regard to the life of such works or improvements and not exceeding forty years.

**Annual
apportion-
ment of
costs by
Corporation**

(8) The Corporation shall, subsequent to the order of the judge, annually fix and determine the cost, charges or expenses incurred by it from time to time in the operation, maintenance, repair and renewal of such works and shall apportion and charge the same against the parties in the proportions fixed by the order of the judge, together with the payments in respect of sinking fund hereinbefore mentioned and the amounts so charged are payable on demand recoverable in the manner hereinafter provided.

**Allowance
for previous
expenditure**

(9) In fixing the amounts so payable the Corporation shall give credit for any amount theretofore contributed to the cost of such works and improvements by a municipal or other corporation or by any company or individual.

(10) The amount so found payable by a municipal corporation is recoverable in the like manner as in the case of a charge for any other service rendered by the Corporation to a municipal corporation and in the case of any other corporation or of a company or an individual the amount so found due constitutes a debt due to the Corporation and is recoverable in any court of competent jurisdiction from the owners from time to time of the lands so found by the order of the judge or of the Divisional Court, such order is final and constitutes a lien or charge upon such lands enforceable in the same manner and by the same proceedings as nearly as may be as in the case of a charge in favour of the Crown.

Recovery of
amount
assessed

(11) Where a proportion of the cost of such works and improvements is to be borne by the Province of Ontario, the amount due from time to time in respect thereof is payable out of the moneys appropriated by the Legislature for that purpose.

Share of
Ontario, how
payable

(12) When the proportions in which the cost of such works or improvements is to be borne have been fixed by order of the judge or of the Divisional Court, such order is final and binding unless it appears to the Corporation that owing to change of circumstances or conditions in respect of such works or improvements it is equitable that there should be a readjustment of the proportions theretofore fixed by the order of the judge, and in that case, upon the application of any person liable to contribute to the cost of such works or improvements, made with the consent in writing of the Corporation, the judge may make further inquiry and may readjust such proportions to be thereafter applied in such manner as he considers just and equitable, subject to appeal as hereinbefore provided. R.S.O. 1970, c. 354, s. 41; 1973, c. 57, s. 2.

Effect of
order

41. Where possession of land of the Corporation has been taken by some other person, the right of the Corporation, or anyone claiming under it, to recover it, is not barred by reason of the lapse of time, notwithstanding the *Limitations Act*, or any other Act of the Legislature, or by reason of any claim based on possession adverse to it for any period of time that might otherwise be made lawfully at common law, unless it is shown that the Corporation had actual notice in writing of such adverse possession, and such notice was had by it ten years before it or the person claiming under it commenced action to recover such land; provided that no claim shall be acquired by possession, prescription, custom, user or implied grant to any way, easement, watercourse or use of water or water right or privilege or flooding privilege of the Corporation, or to any way, easement, watercourse, or use of water,

R.S.O. 1980,
c. 240, not
applicable

or right of drainage along, over, upon, on or from any land, or water, or water right, or privilege of the Corporation, notwithstanding the *Limitations Act* or any other Act of the Legislature or any claim at common law based on lapse of time, or length of enjoyment or use. R.S.O. 1970, c. 354, s. 42; 1973, c. 57, s. 2.

R.S.O. 1980,
c. 240

Continuance
of easements,
etc.

42. Notwithstanding any other Act, where any right, interest, way, privilege, permit or easement has heretofore been, or is hereafter acquired by the Corporation, in, through, over, under, along, upon, across or affecting any land, unless it is otherwise agreed, the land continues subject thereto for the term thereof and it is binding upon the owner at the time of acquisition and all subsequent owners of the land until expiration or release by the Corporation. R.S.O. 1970, c. 354, s. 43; 1973, c. 57, s. 2.

Ownership
of works
retained

43. Notwithstanding this Act or any other general or special Act, where works of the Corporation have been affixed to realty they remain subject to the rights of the Corporation as fully as they were before being so affixed and do not become part of the realty unless otherwise agreed by the Corporation in writing. R.S.O. 1970, c. 354, s. 44; 1973, c. 57, s. 2.

Affixing signs
on property
prohibited

44.—(1) Every person who without the consent of the Corporation nails or otherwise attaches anything, or causes anything to be nailed or otherwise attached to or upon any property of the Corporation is guilty of an offence and on conviction is liable to a fine of not less than \$5 and not more than \$10.

Disposition
of fines

(2) The fines recovered for offences against subsection (1) shall be paid over to the Corporation. R.S.O. 1970, c. 354, s. 45; 1973, c. 57, s. 2.

TAXATION

Easement
over lands
sold for
taxes not
affected

45. Notwithstanding any other Act, where land that was or is subject to easements, ways, rights of way or entry, flooding rights, licences or rights to maintain works thereon, owned by or belonging to the Corporation, has been or is sold for taxes, or in respect of which a tax arrears certificate has been or is registered, such easements, ways, rights of way or entry, flooding rights, licences, or rights to maintain works shall be deemed not to have been or be affected by the sale or registration. R.S.O. 1970, c. 354, s. 46; 1973, c. 57, s. 2.

Tax
exemption
R.S.O. 1980,
c. 31

46.—(1) Notwithstanding the *Assessment Act* or any other general or special Act the Corporation and its property is not

subject to taxation for municipal or school purposes, except for local improvements.

(2) The Corporation shall pay in each year to any municipality in which are situated lands owned by and vested in the Corporation or buildings used exclusively for executive and administrative purposes and owned by and vested in the Corporation or buildings owned by and vested in the Corporation and rented by the Corporation to other persons the total amount that all rates, except, subject to subsections (4) and (5), rates on business assessment, levied in that municipality for taxation purposes based on the assessed value of the land at the actual value thereof according to the average value of land in the locality and the assessed value of such buildings would produce. R.S.O. 1970, c. 354, s. 47 (1, 2); 1973, c. 57, s. 2.

Annual
payments
to municip-
alities

(3) In addition to the amounts payable under subsection (2), ^{Idem} the Corporation shall pay in each year to any municipality in which are situated generating station buildings or transformer station buildings owned by and vested in the Corporation the total amount that all rates except, subject to subsections (4) and (5), rates on business assessment, levied in that municipality for taxation purposes would produce based on an assessed value of such buildings to be determined on the basis of \$86.11 for each square metre of inside ground floor area of the actual buildings housing the generating, transforming and auxiliary equipment and machinery multiplied by the equalization factor used in the year 1978 by the Ministry of Revenue. R.S.O. 1970, c. 354, s. 47 (3); 1972, c. 1, s. 73 (3); 1973, c. 57, s. 2; 1978, c. 87, s. 16; 1979, c. 88, s. 6.

(4) The Corporation shall also pay the amount that the ^{Idem} current rates for business assessment levied on assessment on,

- (a) lands owned by and vested in the Corporation;
- (b) buildings used exclusively for executive and administrative purposes and owned by and vested in the Corporation; and
- (c) generating station buildings and transformer station buildings owned by and vested in the Corporation,

would produce, based on 60 per cent of the assessed value of such land and buildings as calculated and determined under subsections (2) and (3).

(5) The Corporation shall also pay the amount that the ^{Idem} current rates on business assessment would produce on land

and buildings owned or occupied by the Corporation for carrying on the business of selling by retail electrical goods, supplies or appliances.

Limitation

(6) Notwithstanding subsections (2), (3), (4) and (5), the total amount payable thereunder by the Corporation to any municipality in any year shall not exceed 50 per cent of the total of the amounts required for the purposes of the municipality and of all of its local boards being raised by the imposition, rating and levying of all rates, assessments and taxation, except local improvement rates, upon rateable property in the municipality in that year.

Distribution of payments, municipal portion

(7) Subject to subsections (8) and (9), the payments received under subsections (2), (3), (4) and (5) shall be credited by the municipal corporation to its general fund.

Idem, county portion

(8) The portion of the payments received under subsections (2), (3), (4) and (5) that is attributable to levies for county purposes shall be paid by the municipal corporation to the county that would have been entitled thereto if the land had been assessed and taxed in the usual way.

Idem, elementary or secondary school portion

(9) The portion of the payments received under subsection (2) in respect of dwelling houses, including farm properties, rented by the Corporation to other persons that is attributable to levies for elementary or secondary school purposes, shall be paid by the municipal corporation to the school boards that would have been entitled thereto if the land had been assessed and taxed in the usual way, and for the purposes of this subsection the tenants of such dwelling houses and farm properties shall be deemed to be rated as tenants on the assessment roll of the municipality.

Use of valuations for computing rates

(10) The valuations made under this section shall be used for the purpose of computing county rates, school rates and legislative grants in all respects as though the properties valued were not exempt from taxation for such purposes.

Pupil's status

(11) Where a school board is entitled to a payment under subsection (8) with respect to the property in which a pupil resides with his parent or guardian, any child whose parent or guardian is the tenant of the property shall be deemed to be a resident pupil under the jurisdiction of such school board. R.S.O. 1970, c. 354, s. 47 (4-11); 1973, c. 57, s. 2.

Valuation

(12) The assessments and assessed values referred to in this section are valuations made in each year for the purposes of this section by the Ministry of Revenue, and subject to subsections (2), (3), (4) and (18) the valuations shall be made on the

same basis as real property liable for municipal taxation in the municipality. R.S.O. 1970, c. 354, s. 47 (12); 1972, c. 1, s. 73 (3).

(13) The decision of the Treasurer of Ontario as to whether this section applies to any property of the Corporation is final. R.S.O. 1970, c. 354, s. 47 (13); 1972, c. 1, s. 73 (3); 1973, c. 57, s. 2. Treasurer's
decision

(14) The Ministry of Revenue shall, on completion of the valuation of the Corporation's property in a municipality, deliver or mail to the clerk of the municipality and to the Corporation a notice setting out the valuations referred to in subsection (12). R.S.O. 1970, c. 354, s. 47 (14); 1972, c. 1, s. 73 (3); 1973, c. 57, s. 2. Valuation
notice

(15) The municipality or the Corporation may appeal to the Ontario Municipal Board against the valuation and a notice of appeal to the Board under this subsection shall be sent by the party appealing, by registered mail, to the secretary of the Board within twenty-one days after the notice of the valuation has been delivered or mailed under subsection (14). Appeals

(16) Upon receipt of a notice of appeal under this section, the secretary of the Ontario Municipal Board shall arrange a time and place for hearing the appeal and shall send notice thereof to all parties concerned in the appeal at least fourteen days before the hearing. Hearing

(17) The Ontario Municipal Board upon appeal shall determine the amount at which the property in question shall be valued and its decision is final and binding and there is no appeal therefrom. Jurisdiction
on appeal

(18) In making the valuations referred to in subsection (12), there shall be no value included for machinery whether fixed or not nor for the foundation on which it rests, works, structures other than buildings referred to in subsection (2), (3) or (5), sub-structures, superstructures, rails, ties, poles, towers, lines nor any of the things excepted from exemption from taxation by paragraph 17 of section 3 of the *Assessment Act*, nor for other property, works or improvements not referred to in subsection (2), (3) or (5), nor for an easement or the right or use of occupation or other interest in land not owned by the Corporation. R.S.O. 1970, c. 354, s. 47 (15-18); 1973, c. 57, s. 2. Exemptions

R.S.O. 1980,
c. 31

ADVANCES AND LOANS

Government
authorized
to raise funds
for work of
Corporation
R.S.O. 1980,
c. 161; 1951,
c. 55; 1952
(2nd Sess.),
c. 3

47. The Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as he considers requisite for the purposes of this Act and of *The Niagara Development Act, 1951* and of *The St. Lawrence Development Act, 1952 (No. 2)*, and the sums so raised may either be advanced to the Corporation or applied by the Treasurer of Ontario in the purchase of notes, bonds, debentures or other securities of the Corporation issued by the Corporation under this Act. R.S.O. 1970, c. 354, s. 48; 1973, c. 57, s. 2.

Payment
over to
Corporation
of moneys
appropriated

48. Where the Legislature has appropriated money for the purposes of the Corporation, such money is payable out of such appropriation to the Corporation from time to time upon the requisition of the chairman of the Corporation and the direction of the Lieutenant Governor in Council, in such amounts and at such times as are stated in the requisition and direction, and this section has effect notwithstanding that there may be sums due from the Corporation to the Province of Ontario. R.S.O. 1970, c. 354, s. 49; 1973, c. 57, s. 2, *revised*.

Where
appro-
priation is
exhausted,
special
warrant
may issue

49. Where the appropriation made by the Legislature for any work of the Corporation becomes exhausted in a fiscal year and the chairman of the Corporation reports to the Lieutenant Governor in Council that it is necessary and expedient that such work be proceeded with and that an additional amount is required for that purpose, the Lieutenant Governor in Council may order a special warrant to be prepared to be signed by the Lieutenant Governor for the issue of the amount estimated to be required in such fiscal year, and, when issued, such amount shall be placed by the Treasurer of Ontario to the credit of a special account against which cheques may be issued in favour of the Corporation for such sums as are required. R.S.O. 1970, c. 354, s. 50; 1973, c. 57, s. 2.

Advances to
be made on
terms and
conditions
agreed upon

50. All advances made by the Province of Ontario to the Corporation after the 1st day of January, 1951, shall be made on such terms and conditions as are agreed upon between the Corporation and the Treasurer of Ontario, and without limiting the generality of the foregoing, the Corporation, in consideration of any advance, may,

- (a) issue and deliver to the Treasurer of Ontario notes, bonds, debentures or other securities of the Corporation for the same principal amount, maturing on the same date or dates, bearing interest at the same rate or rates and payable as to both principal and interest

in the same currency or currencies as the debentures or other securities of the Province of Ontario issued for the purpose of raising the moneys advanced by the Province of Ontario to the Corporation, and containing such other terms and conditions, if any, as to redemption in advance of maturity or otherwise as the Treasurer of Ontario approves; and

- (b) agree to reimburse the Province of Ontario all charges and expenses incurred or to be incurred by the Province of Ontario in connection with the creation and issue of such debentures or other securities of the Province of Ontario and the payment from time to time of the interest thereon and of the principal thereof whether at maturity or on redemption before maturity and of the amount of the premium, if any, on redemption, and such other charges and expenses as the Province of Ontario incurs. R.S.O. 1970, c. 354, s. 53; 1973, c. 57, s. 2.

51.—(1) Subject to the approval of the Lieutenant Governor in Council, the Corporation may borrow from time to time such sums of money as it may consider requisite for any of its purposes and, for the purpose of such borrowing, may issue notes, bonds, debentures and other securities bearing interest at such rate or rates, and payable as to principal, interest, and premium if any, at such time or times and in such manner and in such place or places in Canada or elsewhere, and in the currency of such country or countries, as the Corporation may determine, and such notes, bonds, debentures and other securities may be made redeemable in advance of maturity, at such time or times, and at such price or prices, and in such manner, and either with or without premium, as the Corporation may determine at the time of the issue thereof. R.S.O. 1970, c. 354, s. 54 (1); 1973, c. 57, s. 2.

General
borrowing
powers

(2) Where, pursuant to subsection (1), the Corporation, with the approval of the Lieutenant Governor in Council, has passed a resolution authorizing the borrowing of money by the issue from time to time of notes, bonds, debentures or other securities maturing not later than five years from the respective dates thereof and bearing interest at a rate or rates not exceeding the maximum rate of interest specified in the resolution, the Corporation without any further approval of the Lieutenant Governor in Council may subsequently and from time to time authorize the issue of such notes, bonds, debentures or other securities, within the maximum principal amount prescribed by such resolution, bearing such respective dates, maturing not later than five years from such respective dates, and bearing interest at such respective rates not exceeding the

Idem

said maximum interest rate, as the Corporation in its discretion may from time to time determine. R.S.O. 1970, c. 354, s. 54 (2); 1973, c. 57, ss. 2, 12.

Purposes of
Corporation

(3) The purposes of the Corporation, without limiting the generality thereof, include,

- (a) repayment on account of the advances by the Province of Ontario to the Corporation;
- (b) payment in whole or in part of any notes, bonds, debentures or other securities of the Corporation issued and delivered to the Treasurer of Ontario in respect of any advances from the Province of Ontario to the Corporation;
- (c) payment, refunding or renewal from time to time of the whole or any part of any loan raised or securities issued by the Corporation under this or any other Act;
- (d) payment of the whole or any part of any loan or of any liability or of any notes, bonds, debentures or other securities, payment whereof is guaranteed or assumed by the Corporation;
- (e) payment of the whole or any part of any other liability or indebtedness of the Corporation; and
- (f) carrying out any of the powers and purposes of the Corporation referred to in sections 23 to 28, 37 and 83, or carrying out any of the powers and purposes of the Corporation referred to in *The Niagara Development Act, 1951* or in *The St. Lawrence Development Act, 1952* (No. 2) providing in whole or in part for expenditures of the Corporation made or to be made in connection therewith, reimbursing the Corporation for any such expenditures heretofore or hereafter made, and repaying in whole or in part any temporary borrowings of the Corporation for any of such purposes.

1951, c. 55
1952
(2nd Sess.),
c. 3

Resolution
conclusive

(4) Where a resolution of the Corporation authorizing the issue of securities contains a recital or declaration that the amount of the securities so authorized is necessary to realize the net sum required for the purposes of the Corporation, the recital or declaration is conclusive evidence of the facts stated therein.

Corporation
may sell
or pledge

(5) The Corporation may sell or otherwise dispose of any such notes, bonds, debentures and other securities at such price or prices, and on such terms and conditions, as it considers advisable, and either at the par value thereof or at less or more

than the par value thereof, and may charge, pledge, hypothecate, deposit or otherwise deal with any such securities as collateral security.

(6) Any such securities dealt with as collateral security when redelivered to the Corporation or its nominees on or after payment, satisfaction, release or discharge in whole or in part of any indebtedness or obligation for which such securities may have been given as collateral, or when the Corporation again becomes entitled to such securities, may be treated by the Corporation as unissued and may be issued, reissued, charged, pledged, hypothecated, deposited, dealt with as collateral security, sold or otherwise disposed of from time to time upon such terms and conditions as the Corporation considers advisable, or at its option may be cancelled and fresh securities to the like amount and in like form may be issued in lieu thereof with the like consequences, and upon such issue or reissue any person entitled thereto has the same rights and remedies as if the same had not been previously issued.

Reissue of securities

(7) The Corporation on such terms and conditions as it considers advisable may charge, pledge, hypothecate, deposit or otherwise deal with as collateral security any notes, bonds, debentures or other securities purchased by it under section 19.

Corporation may pledge securities

(8) The notes, bonds, debentures and other securities of the Corporation shall be in such form or forms and in such denomination or denominations and shall be executed in such manner and by such persons as the Corporation may determine.

Form and execution of securities

(9) The Corporation may provide that the seal of the Corporation may be engraved, lithographed, printed or otherwise mechanically reproduced on any security to which it is to be affixed and that any signatures upon any such security and upon the coupons, if any, attached thereto may be engraved, lithographed or printed or otherwise mechanically reproduced thereon.

Reproduction of seal and signatures

(10) The seal of the Corporation when so mechanically reproduced has the same force and effect as if manually affixed, and such mechanically reproduced signatures are for all purposes valid and binding upon the Corporation notwithstanding that a person whose signature is so reproduced has ceased to hold office before the date of the security or before its issue.

Effect of mechanical reproduction of seal and signatures

52.—(1) Notwithstanding anything in this Act, where the Corporation is required to replace or exchange any bond of an issue of bonds of the Corporation outstanding on the 4th day

Exchange of bonds

of March, 1974, the Corporation may deliver a bond or bonds of the same issue in accordance with the terms and conditions applicable to such issue in the name of The Hydro-Electric Power Commission of Ontario, sealed in the name of The Hydro-Electric Power Commission of Ontario, which seal may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and signed in such manner and by such persons as may be authorized by the Corporation.

Exchange
of notes

(2) The provisions of subsection (1) shall apply with necessary modifications to exchanges of notes of the Corporation comprising part of an issue of notes outstanding on the 4th day of March, 1974.

Validity of
exchanged
bonds and
notes

(3) All bonds or notes delivered in accordance with the provisions of this section are legal, valid and binding obligations of the Corporation.

Guarantee
by Province
of Ontario

(4) Nothing in this section affects the validity of any guarantee by the Province of Ontario of the payment of the principal of any bond or note mentioned in subsection (3) or of the interest thereon. 1973, c. 57, s. 13.

Guarantee-
ing bonds of
Corporation

53.—(1) The Lieutenant Governor in Council is authorized, on such terms as are approved by order in council, to guarantee the payment of the principal and interest of any notes, bonds, debentures or other securities issued by the Corporation, and the form and manner of any such guarantee or guarantees shall be such as the Lieutenant Governor in Council approves, and the guarantee or guarantees shall be signed by the Treasurer of Ontario or the Deputy Treasurer of Ontario and Deputy Minister of Economics or such other officer or officers as are designated by the Lieutenant Governor in Council, and, upon being so signed, the Province of Ontario becomes liable for the payment of the principal and interest of the notes, bonds, debentures or other securities guaranteed according to the tenor thereof, and the Lieutenant Governor in Council is authorized to make arrangements for supplying the money necessary to fulfil the requirements of the guarantee or guarantees and to advance the amount necessary for that purpose out of the public funds of the Province of Ontario, and, in the hands of any holder of any such notes, bonds, debentures or other securities, any guarantee so signed is conclusive evidence that the terms of this section have been complied with. R.S.O. 1970, c. 354, s. 55 (1); 1972, c. 3, s. 5 (1); 1973, c. 57, s. 2.

Signatures
may be
mechanically
reproduced

(2) The signature of the Treasurer of Ontario or the Deputy Treasurer of Ontario and Deputy Minister of Economics or of such other officer or officers provided for in subsection (1) may be engraved, lithographed, printed or otherwise mechanically reproduced, and the mechanically-reproduced signature of any such person shall be deemed for all purposes to be the signature of

such person and is binding upon the Province of Ontario notwithstanding that the person whose signature is so reproduced may not have held office at the date of the notes, bonds, debentures or other securities or at the date of the delivery thereof and notwithstanding any change in any of the persons holding any such office between the time when any such signature is affixed and the date of delivery of the notes, bonds, debentures or other securities. R.S.O. 1970, c. 354, s. 55 (2); 1972, c. 3, s. 5 (1).

54. The Lieutenant Governor in Council may on behalf of the Province of Ontario enter into any covenants or agreements in connection with the acquisition by the Corporation of any shares in any incorporated company and guarantee the observance and performance by the Corporation of any contract or agreement of the Corporation in relation to such acquisition. R.S.O. 1970, c. 354, s. 56; 1973, c. 57, s. 2.

Guaranteeing
performance
of contract
for purchase
of shares

55.—(1) Subject to the approval of the Lieutenant Governor in Council, the Corporation may from time to time for any of the purposes of the Corporation borrow by way of temporary loan from any chartered bank to which the *Bank Act* (Canada) applies, from any other bank which is supervised or examined by the central bank or other governmental authority having supervision over banks in the jurisdiction in which the bank carries on business or from any person such sums as the Corporation considers requisite, either by way of bank overdraft or loan or in any other manner whatsoever. 1973, c. 57, s. 14.

Temporary
loans

1980-81,
c. 40 (Can.)

(2) For the purposes of subsection (1), the Corporation may pledge as security, notes, bonds, debentures or other securities of the Corporation pending the sale thereof or in lieu of selling the same, or may pledge as security, bonds, debentures or other securities owned by the Corporation, or otherwise give such security as the Corporation determines, and any cheques, promissory notes, or other instruments that may be necessary or desirable for the purposes of subsection (1) or this subsection may be executed in such manner as the Corporation determines.

Security for
temporary
loans

(3) The Lieutenant Governor in Council may guarantee the repayment of advances made by banks or any other indebtedness incurred by the Corporation. R.S.O. 1970, c. 354, s. 57 (2, 3); 1973, c. 57, s. 2.

Guarantee
by Province

BUSINESS OPERATIONS

56. The purposes and business of the Corporation include the generation, transmission, distribution, supply, sale and use of power and, except with respect to the exercise of powers requiring the prior authority of the Lieutenant Governor in

Business of
Corporation

Council under this Act, the Corporation has power and authority to do all such things as in its opinion are necessary, usual or incidental to the furtherance of such purposes and to the carrying on of its business. R.S.O. 1970, c. 354, s. 58; 1973, c. 57, s. 2.

Corporation
may purchase
and sell
supplies

57.—(1) The Corporation may, out of any funds in its hands, purchase such electrical, hydraulic or other machinery, appliances, apparatus and furnishings as may be used in the transmission, distribution, supply or use of power and may sell or dispose of the same.

Manufacturing and
dealing in
supplies

(2) The Lieutenant Governor in Council, upon the request of the Corporation specifying,

- (a) the nature and volume of the business to be carried on; and
- (b) the extent of the liability that may be incurred in connection therewith,

may authorize the Corporation to manufacture in Ontario such electrical, hydraulic or other machinery, appliances, apparatus and furnishings as may be used in the development, transmission, distribution, supply or use of power, and to acquire patents of invention or interests therein, and to sell or dispose of such machinery, appliances, furnishings or patent rights, and the profits and losses arising from such operation shall be adjusted and apportioned among the municipalities having contracts with the Corporation or be otherwise applied as the Corporation sees fit.

Doing
work for
contracting
municipalities, etc.

(3) The Corporation may,

- (a) undertake and carry out the preparation of plans, specifications and estimates for, and the construction, erection, installation and putting down of, any plant, machinery, and other things;
- (b) purchase supplies, wires, poles, and other things;
- (c) render engineering or other service,

for the generation, purchase, transmission, distribution, supply or use of power for light, heat or power purposes, or for the manufacture, procuring, producing, supply or use of any other public utility, by a municipal corporation or commission, or by any other corporation or any person, and the Corporation may charge and collect from such corporation, commission or person the cost of any work done or service rendered by the Corporation under this subsection.

Work for
extending
use of power

(4) Subject to the approval of the Lieutenant Governor in Council, the Corporation, out of any funds in its hands, may

undertake and carry on investigation, experiments, research, development and other work in or for the generation, transformation, transmission, distribution, supply, sale or use of power and may use and apply the results thereof, and may undertake and carry on any electro-chemical, chemical, or physical process and, without limiting the generality thereof, electrolysis, reduction, synthesis and conversion of water and other resources, their constituents and compounds and the development and manufacture of products therefrom.

(5) The Corporation may acquire any patent or licence or interest in any patent or licence and may use or supply or dispose of by sale, lease, hire, licence or otherwise any such patent, licence or interest and any product, article or commodity produced, used, acquired or found in the operations of the Corporation and any right to or interest in any process or the right to use the same. Dealing in patents and products

(6) The Corporation may do any or all of the things authorized in this section as principal, agent, contractor, trustee or otherwise and either alone or in conjunction with others, and a municipal corporation or commission may act as agent for the Corporation. Power to act with others

(7) Any net profit obtained by the Corporation from anything authorized in this section shall be applied as the Corporation considers equitable towards reduction in the cost of power to municipal corporations having contracts with the Corporation for the supply of electrical power. R.S.O. 1970, c. 354, s. 59; 1973, c. 57, s. 2. Profits to reduce cost of power

58. Where in the course of the operations of the Corporation any commodity is produced as a by-product or is found upon property vested in the Corporation, the Corporation may sell or otherwise dispose of such commodity at such prices and upon such terms as it considers proper, and any revenue so obtained shall be applied in reduction of the cost of power to municipal corporations having contracts with the Corporation for the supply of power from the works or property in connection with which the commodity is produced. R.S.O. 1970, c. 354, s. 60; 1973, c. 57, s. 2. By-products, sale of, to reduce cost of power

59. When any works constructed or acquired by the Corporation for the purpose of supplying power are not in use for that purpose, the Corporation with the approval of the Lieutenant Governor in Council may utilize them for such revenue-producing purposes as it considers proper, and any revenue so derived shall be applied in the reduction of the cost of power to municipal corporations having contracts with the Corporation for the supply of power from such works. R.S.O. 1970, c. 354, s. 61; 1973, c. 57, s. 2. Unused works may be utilized to produce revenue

PART II

SUPPLY OF POWER

Application
to Corpora-
tion for
supply of
power to
municipal
corporation

60.—(1) Any municipal corporation may apply to the Corporation for the transmission and supply to it of power for its use and the use of the inhabitants of the municipality for lighting, heating and power purposes or for any of the purposes mentioned in section 68.

Information
and
estimates
to be supplied
by
Corporation

(2) The Corporation shall thereupon furnish to the corporation an estimate of the cost at which the power can be supplied to the corporation, including an estimate of the cost of the works by means of which the amount of power required by the corporation is to be supplied, and the Corporation may furnish to the corporation plans and specifications of the works necessary for the distribution of such power by the corporation and an estimate of the cost thereof, and such other information as the Corporation considers advisable.

Vote of
electors
R.S.O. 1980,
c. 302

(3) The corporation may thereupon submit to a vote of the electors of the municipality, in accordance with the *Municipal Act*, a question as to securing a supply of power from the Corporation, and if a majority of the electors vote in the affirmative, the council of the corporation may, by by-law, authorize the entering into, and the corporation shall thereupon enter into, a contract with the Corporation in such form as is approved by the Lieutenant Governor in Council, and it is not necessary to submit a by-law approving thereof for the assent of the electors and the contract is valid and binding.

Debentures

(4) Notwithstanding anything in the *Municipal Act* or in any general or special Act, debentures issued or purporting to be issued by a municipal corporation that has entered into a contract with the Corporation for a supply of power from the Corporation for the purpose of carrying out the contract, or for constructing or equipping works for the development, transmission and distribution of power so supplied, shall not be included in ascertaining the limits of the borrowing powers of the corporation as prescribed by the *Municipal Act*, or in any general or special Act. R.S.O. 1970, c. 354, s. 62; 1973, c. 57, s. 2.

R.S.O. 1980,
c. 302, s. 150
not to apply

61. Section 150 of the *Municipal Act* does not apply to any contract between the Corporation and a municipal corporation for the supply of power. R.S.O. 1970, c. 354, s. 63; 1973, c. 57, s. 2.

Interest
on arrears by
municipal
corporation

62. Notwithstanding any agreement heretofore or hereafter entered into by the Corporation for the supply of power to a municipal corporation, interest on any payment

in arrears for the cost of power shall be charged to and paid by the municipal corporation at such rate, not in excess of 9 per cent per annum, as may be determined by the Corporation from time to time. 1973, c. 57, s. 15.

63. A municipal corporation that has entered into a contract for the supply of power by the Corporation may, by its officers, agents, servants and workmen, enter into and upon the lands of any person, including lanes, courts, yards and buildings, for the purpose of placing overhead or underground wires with their appurtenances without the consent of the owner or occupant of such property, but subject to the payment of compensation for any damage caused thereby, to be determined in the manner provided by the *Municipal Act* where a municipal corporation enters upon and takes land for its purposes. R.S.O. 1970, c. 354, s. 64; 1973, c. 57, s. 2, *revised*.

Right to enter on lands to put up wires, etc.

R.S.O. 1980, c. 302

64.—(1) Where a municipal corporation has heretofore entered into or hereafter enters into a contract with the Corporation to take power, either at the time of entering into the contract, or at any time thereafter, exclusively from the Corporation, the municipal corporation shall not grant to any corporation or person any right or franchise to erect or lay down poles, wires, conduits or any other structures or works for the distribution of power in the municipality, either for the use of the municipal corporation or the inhabitants generally, or of any particular person, and every such right or franchise and every agreement therefor granted or entered into with or without the assent of the electors is void.

Granting of franchises by municipalities under contract with Corporation prohibited

(2) Where it is alleged that any person has erected or laid down upon, over or under any street or other highway in a municipality, any poles, wires, conduits or other structures or works for the transmission or distribution of power without the consent of the municipal corporation lawfully given under a by-law of its council or is continuing to maintain or use any such structures or works upon, over or under any such street or highway without lawful authority, the Lieutenant Governor in Council, upon the complaint of the municipal corporation or of any ratepayer, or of the Corporation, may direct an inquiry by the Ontario Municipal Board or by a commission composed of two judges of the Supreme Court, and the Board or commission may inquire into the matter, and if, as a result of the inquiry, it is found that such structures or works are upon, over or under any street or highway without lawful authority, the Board or commission may order the removal of all such poles, wires, conduits or other structures upon such notice and upon such terms and conditions as the

Proceedings for ascertaining rights where franchise claimed

Board or commission considers just or reasonable, and an order made by a commission under this subsection may be filed with the Registrar of the Supreme Court and has the same force and effect and is enforceable in the like manner as a judgment of the Supreme Court.

When work
to be deemed
unlawfully
upon the
highway

(3) Any such structure or work shall be deemed to be upon, over or under any street or highway without lawful authority where no such right or franchise is found to have existed or where the term for which the right or franchise was originally granted has expired, or where the right or franchise was not granted by by-law in compliance with the statutes relating thereto, and no such right or franchise shall be deemed to have been acquired by lapse of time or by any express or implied acquiescence on the part of the municipality or of any other municipality, company or individual formerly owning or controlling such street or highway or the lands included therein. R.S.O. 1970, c. 354, s. 65; 1973, c. 57, s. 2.

Enforcement
of
agreements

65. Notwithstanding any provision in the contract or agreement entered into between a municipal corporation and the Corporation providing for the determination of questions arising under the contract or agreement, or for the settlement of any dispute between the municipal corporation and the Corporation by the Lieutenant Governor in Council or in any other manner, the Corporation may bring an action for any breach of the contract or agreement on the part of the municipal corporation, and the court may in any such action grant an injunction restraining the municipal corporation from doing any act or continuing any such breach, may order the municipal corporation to supply any omission or to do any act required to be done by it under the terms of the contract or agreement, and may award to the Corporation such sum as damages for any such breach as the court considers a fitting penalty to impose upon the municipal corporation therefor. R.S.O. 1970, c. 354, s. 66; 1973, c. 57, s. 2.

Trustees of
police village
may contract
with
Corporation

66.—(1) Subject to subsection (11), the trustees of a police village shall, for the purposes of this Part, be deemed to be a municipal corporation, and may exercise all the powers conferred upon municipal corporations by this Part.

Submission
of by-law
to electors

(2) The council of the township or the councils of the townships in which the police village is situate, upon the request of the police trustees, shall issue debentures as provided by this Act.

Township
to levy
special rate

(3) The council of the township in which the police village or any part thereof is situate shall annually levy by special rate upon the rateable property in the police village, or in that part of the village situate in the township, the amounts

required to meet the payments to be made to the Corporation, and to pay off the debentures issued under subsection (2).

(4) Where the trustees of a police village have entered into a contract with the Corporation for the supply of power and have heretofore constructed, purchased or acquired, or hereafter construct, purchase or acquire, works for distributing power and the trustees of the police village desire to extend or improve such works, they may apply to the council of the township for the passing of a by-law for the issue of debentures for such extension or improvement, and the council shall pass the necessary by-law for borrowing such further sums as may be necessary for such extension or improvement, and for levying by an annual special rate upon the rateable property in the police village the sums required for the payment of the debentures issued for the extensions or improvements.

Extension,
etc., of
works in
police village

(5) The by-law shall be approved by the Corporation before the final passing thereof, but does not require the assent of the electors.

Assent of
electors not
required

(6) Such approval may be given if it is shown to the satisfaction of the Corporation that the extension or improvement is necessary or desirable, and that sufficient additional revenue will be derived therefrom to meet the annual payments in respect of the debt and the interest thereon.

Approval of
Corporation

(7) The trustees of a police village are a commission for the control and management of works established for the distribution of power in the police village, and have and may exercise and perform the like powers and duties as nearly as may be as a commission formed under the *Public Utilities Act* in an incorporated village.

Trustees
to be a
Corporation

R.S.O. 1980,
c. 423

(8) The trustees of a police village shall appoint a competent person to act as secretary-treasurer for the purpose of keeping the accounts of the trustees for the distribution and supply of power and acting as custodian of funds collected by the trustees or received by them from the treasurer of the township for the establishment of works in connection with the distribution of power.

Secretary-
treasurer

(9) The secretary-treasurer shall give security for the due accounting of all sums of money coming to his hands and for the payment over to the township treasurer of the sums required from time to time to meet payments coming due for interest and principal and to provide a sinking fund for the payment of any debentures issued for the works undertaken by the trustees under any contract with the Corporation.

Security

(10) The accounts of the secretary-treasurer shall be audited by the auditor of the township in which the police village is

Audit of
accounts

situate, or if the police village includes parts of two or more townships, then by the auditor of that township having the highest assessment in the police village.

Contracts
with police
villages

(11) Notwithstanding anything in this section, no contract between the trustees of a police village and the Corporation for the supply of power shall be entered into after the 1st day of July, 1968. R.S.O. 1970, c. 354, s. 67; 1973, c. 57, s. 2.

By-laws

67.—(1) Notwithstanding the *Public Utilities Act* or any other Act, the council of a township may from time to time pass by-laws,

- (a) for establishing, with the approval of the Corporation, an area in the township as to which any of the by-laws passed under clauses (b), (c) and (d) have effect, or establishing the whole township as such an area;
- (b) for entering into a contract with the Corporation, with the assent of the municipal electors of the area qualified to vote on money by-laws, for the supply of power for the use of the municipality and its inhabitants in any area established under clause (a);
- (c) for acquiring real and personal property and acquiring, constructing, reconstructing, extending and operating works for the development, transmission and distribution of power in the municipality;
- (d) for exercising, for such purposes, any of the powers that may be exercised by a town under the *Municipal Act*, the *Local Improvement Act*, the *Public Utilities Act*, or this Act.

R.S.O. 1980,
cc. 302, 250,
423

Alteration
of areas

(2) The council, with the approval of the Corporation, may from time to time, by by-law, incorporate an area established under clause (1) (a) with any other established area.

Debenture
issue

(3) Where the council has passed a by-law under clause (1) (a) or under subsection (2), it may issue debentures for the purposes of clause (1) (b), (c) or (d), and levy a special rate for the amounts required to be raised on account of principal or sinking fund and of interest for the payment of such debentures in the area so established, and notwithstanding the *Municipal Act* or any other Act, it is not necessary to obtain the assent of the electors to the by-law for the issue of such debentures. R.S.O. 1970, c. 354, s. 68 (1-3); 1973, c. 57, s. 2.

Commission
for
construction
and manage-
ment of
works

(4) The council of a township that has entered into a contract with the Corporation for the supply of power for the use of the municipality and its inhabitants in any area established under clause (1) (a) may by by-law provide for entrusting the

construction of the works and the control and management thereof to a commission to be called "The Hydro-Electric Commission of the Township of (*naming the area*) of (*naming the township*)" or if the area comprises the whole township, "The Hydro-Electric Commission of the Township of (*naming the township*)". R.S.O. 1970, c. 354, s. 68 (4); 1973, c. 57, s. 16.

(5) It is not necessary to obtain the assent of the electors to the establishment of a commission under subsection (4), but the commissioners elected shall be residents of the area for which they are elected commissioners.

Assent of electors not necessary

(6) Upon the incorporation of any area in another area the commission, if any, for the area so incorporated shall be deemed to be disestablished and the commission, if any, for the other area shall be a commission for the combined area.

Disestablishment of commission

(7) Subject to subsection (8), where a commission has been established under this section and the members thereof have been elected, all the powers, rights, authorities and privileges that by the *Public Utilities Act* are conferred upon a municipal corporation in respect of power shall, while the by-law for establishing it remains in force, be exercised by the commission in the area for which it was established or in the area to which such area may have been enlarged and not by the council of the municipality.

Revenue of commission

R.S.O. 1980, c. 423

(8) Nothing in this section divests the council of its authority with reference to providing the money required for the works, and the treasurer of the municipality shall, upon the certificate of the commission, pay out any money so provided, and nothing in this Act divests the council of the rights and powers conferred upon it by the *Local Improvement Act*.

Council to provide money for works

R.S.O. 1980, c. 250

(9) Sections 41, 42, 43, 46 and 47 of the *Public Utilities Act* apply to every commission established under this section.

Provisions of R.S.O. 1980, c. 423 to apply

(10) A by-law establishing a commission under this section may be repealed by the council of the municipality at any time with the consent of the Corporation and it is not necessary to obtain the assent of the electors to such repeal.

Repeal of by-law establishing commission

(11) Upon the repeal of a by-law establishing a commission under this section, the control and management of the works are vested in the council, and the commission ceases to exist.

Reverting of works

(12) Notwithstanding anything in this section, no areas shall be established nor the boundaries of any established area enlarged or altered after the 1st day of May, 1951. R.S.O. 1970, c. 354, s. 68 (5-12); 1973, c. 57, s. 2.

Areas fixed as of May 1, 1951

POWERS OF MUNICIPALITIES

Supply of
power, etc.

68.—(1) In addition to the powers conferred by this Act, a municipal corporation that has entered into a contract with the Corporation for the supply of power has and may exercise in respect of such power all the powers that are by the *Public Utilities Act* or the *Municipal Act* conferred upon municipal corporations in respect of light and heat, and all the powers that are conferred upon municipal corporations by the *Municipal Act* for contracting debts for any purpose within the jurisdiction of the council thereof, and also the power to expropriate land, making compensation therefor under the *Expropriations Act*.

R.S.O. 1980,
cc. 423, 302,
148

By-law for
borrowing
money

(2) The council of a municipal corporation may, if it sees fit, submit to the electors a by-law providing for borrowing, by the issue of debentures, the money required for any of the purposes mentioned or referred to in sections 60 and 66 and in this section at the same time as the council submits to the electors a question as to supply of power under section 60, and the by-law for borrowing money may be finally passed either before or after the municipal corporation has entered into a contract with the Corporation for the supply of power, but the debentures authorized by the by-law shall not be issued until the municipal corporation has entered into a contract with the Corporation for the supply of such power.

Supplying
power
outside of
municipality

(3) A municipal corporation that has entered into a contract with the Corporation under this Act may, from time to time, with the approval of the Corporation, contract with any other municipal corporation or with any person for the supply or distribution of power in any other municipality, and such other municipal corporation has authority to enter into the contract; but a municipal corporation shall not exercise the power conferred by this section in another municipality without the consent of the council thereof. R.S.O. 1970, c. 354, s. 69; 1973, c. 57, s. 2.

CONTRACTS OF CORPORATION

Supply of
power

69.—(1) In addition to the powers conferred upon it by this Act or any other Act to contract with municipal corporations for the supply by it of power and to contract with persons pursuant to section 85, the Corporation, subject to the approval of the Lieutenant Governor in Council, may contract with any other person for the supply of power to such person upon such terms and conditions as the Corporation considers proper.

Application
of revenue

(2) The revenue, or any part thereof, derived by the Corporation from supplying power under subsection (1) for use outside Ontario and which in the opinion of the Corporation is so

derived because of anything done pursuant to section 25 may be placed to the credit of the frequency standardization reserve account.

(3) Any net surplus made by the Corporation in supplying power under subsection (1) shall be applied as the Corporation may determine from time to time for adjusting and proportioning and making equitable and stabilizing the rates for power payable to the Corporation.

Application
of net
surplus

(4) Net surplus referred to in subsection (3) shall be determined by deducting from the revenue received from supplying power under subsection (1) all moneys placed to the credit of the frequency standardization reserve account pursuant to subsection (2) and an amount determined by the Corporation for costs and charges as enumerated in section 75. R.S.O. 1970, c. 354, s. 70; 1973, c. 57, s. 2.

Determina-
tion of net
profit

70. Notwithstanding anything in section 69, it is not necessary to obtain the approval of the Lieutenant Governor in Council to any contract for a supply by the Corporation of power to any person from works that the Corporation has acquired or constructed and is operating for the distribution of power. R.S.O. 1970, c. 354, s. 71; 1973, c. 57, s. 2.

Approval of
Lieutenant
Governor in
Council not
required to
certain
contracts

71.—(1) If any agreement heretofore or hereafter entered into by the Corporation for the supplying of power by the Corporation to a municipal corporation or for any other work or service to be done or supplied by the Corporation to a municipal corporation contains any term or condition conflicting with or contrary to this Act, the agreement shall be deemed to be amended in such manner and to such extent as to give effect to this Act.

Amendment
of agree-
ments

(2) Subject to subsection (1), where the Corporation has heretofore entered, or hereafter enters into an agreement for the supplying of power by or to the Corporation or for any other work or service to be done by or supplied to the Corporation and such agreement has been or is hereafter approved by the Lieutenant Governor in Council, it is thereupon valid and binding upon the parties thereto. R.S.O. 1970, c. 354, s. 72; 1973, c. 57, s. 2.

Effect of
approval

72.—(1) Notwithstanding anything in this Act or in any general or special Act or in any contract heretofore or hereafter entered into by the Corporation or by any municipal corporation for which the Corporation supplies power under section 83, where at any time a state of emergency exists by reason of damage to or destruction, failure or breakdown of any of its works, wastage of power, power demand in excess of

State of
emergency

its power resources or other matters restricting its ability to deliver power, the Corporation may, during the state of emergency,

- (a) allocate and distribute its available power among the customers under such contracts and interrupt or decrease delivery of power under any contract during the continuance of the emergency; and
- (b) with the approval of the Lieutenant Governor in Council, regulate, restrict, prohibit and control the generation, transformation, transmission, distribution, supply and use of power supplied by it,

in order to effect what is in its opinion the most economical, efficient and equitable use and distribution of such power.

Modifica-
tion of
restrictions

(2) The Corporation may at any time modify, restrict, suspend or reimpose any order, regulation, restriction, prohibition or control, heretofore or hereafter given, made or exercised under subsection (1).

Cessation
of power
delivery

(3) The Corporation may interrupt or decrease delivery of power in such manner and to such extent as it sees fit to any of its customers who fail to comply with any direction, order, regulation, restriction, prohibition or control given, made or exercised by it under subsection (1) by such means as it considers proper and may enter upon any land of any such customer and do whatever is necessary for that purpose.

Entry by
municipal
corporation

(4) Any municipal corporation or municipal commission receiving power from the Corporation for distribution may interrupt or decrease delivery of power in such manner and to such extent as it sees fit to any of its customers who fail to comply with any direction, order, regulation, restriction, prohibition or control given, made or exercised by the Corporation under subsection (1), by such means as it considers proper and may enter upon any land of any such customer and do whatever is necessary for that purpose.

No breach
of contract

(5) Nothing done under this section or under any direction, order, regulation, restriction, prohibition or control made or exercised by the Corporation under this section or done to enforce or give effect thereto by the Corporation, its servants or agents, or by any municipal corporation or municipal commission or its servants or agents, shall be deemed a breach of contract by the Corporation or any municipal corporation or municipal commission or entitle any person to rescind any contract or release any guarantor from the performance of his obligation, or render the Corporation, its servants or agents, or

any municipal corporation or municipal commission, its or their servants or agents liable in any action-at-law or other legal proceedings for damages or otherwise.

(6) Every person who refuses or neglects to comply with any direction, order, regulation, restriction, prohibition or control made or exercised by the Corporation under this section is guilty of an offence and, in addition to any other liability, on conviction is liable to a fine of not less than \$100 and not more than \$500 and a further fine of not less than \$100 and not more than \$500 for each day upon which such refusal or neglect is repeated or continued. R.S.O. 1970, c. 354, s. 73; 1973, c. 57, s. 2.

73.—(1) Where the Corporation supplies or distributes power directly to the consumer either on its own behalf or by arrangement or under contract with a municipal corporation, the amount payable by the owner of any building or lot, or part of lot, for the power supplied to him for use therein or thereon, and all rents, rates, costs and charges in connection with the service or supply of such power or the installation of any works for such service or supply are a lien and charge upon the building or lot or part of lot in the same manner and to the same extent as municipal taxes on land, and, in default of payment, the clerk of the municipality, upon being notified in writing by the Corporation of the sum due, shall forthwith enter the same upon the collector's roll and it shall be collected in the same manner as municipal taxes on land and upon recovery thereof shall be paid over to the Corporation, but when a mortgage or lease of the building or lot or part of lot in question has been duly registered before an entry upon the collector's roll as above described, the lien and charge hereby created rank after advances actually made under such mortgage and after rent accrued due under such lease before such entry.

Enforcing
payment of
arrears of
rates and
charges

(2) For the purposes of this section, power shall be deemed to be supplied to the consumer not only when it is actually used by the owner but when it is rendered available or held in reserve for him under the terms of his contract with the Corporation or the municipal corporation. R.S.O. 1970, c. 354, s. 74; 1973, c. 57, s. 2.

When power
deemed to
be supplied

74. The expenditure by the Corporation upon any works undertaken under this Act for the benefit of a municipal corporation that has entered into a contract with the Corporation is repayable to the Corporation by the municipal corporation. R.S.O. 1970, c. 354, s. 75; 1973, c. 57, s. 2.

Repayment
of expendi-
tures

Cost of
power to
municipality

75. Notwithstanding anything in any general or special Act passed before the 3rd day of April, 1928, or in any contract entered into before the 3rd day of April, 1928, and, except where under the terms of any such contract power is to be supplied to a municipal corporation at a fixed price, the price payable for power by any municipal corporation is the cost to the Corporation, as determined by it, of supplying and delivering power to the municipal corporation, including the municipal corporation's proportion, as adjusted by the Corporation, of,

- (a) the cost of operation, maintenance, depreciation and insurance of the works and the cost of administration of the Corporation;
- (b) interest and expenses of debt service and interest credited on the balances remaining from time to time to the credit of reserve accounts established under this Act;
- (c) an annual sum sufficient to form in forty years, with interest at 4 per cent per year, a sinking fund for the repayment of the advances made by the Province of Ontario under this Act for the cost of the works, for the repayment of any other indebtedness incurred or assumed by the Corporation in respect of the cost of the works, and for the restoration of any reserve or other funds of the Corporation utilized for the payment of the cost of the works; and
- (d) an amount to be determined by the Corporation for the purposes of sections 13 and 15 and clause 14 (c).
R.S.O. 1970, c. 354, s. 76; 1973, c. 57, s. 2.

Collection
of moneys
from municipal-
ities on
sinking fund
account

76. Notwithstanding anything in this Act, a municipal corporation that has entered into or hereafter enters into a contract with the Corporation for a supply of power may be relieved by the Corporation from payment of any sum on account of the sinking fund account for the first five years during which payments are made to the Corporation by the municipal corporation under such contract, and the amounts required from such municipal corporation on sinking fund account are payable during the then next ensuing forty years. R.S.O. 1970, c. 354, s. 77; 1973, c. 57, s. 2.

Extending
time for
payments
by municipal-
ities

77. The Corporation may, during the first three years after a municipal corporation first begins to take power from the Corporation, extend the time for payment of any sum payable by it, and such municipal corporation shall pay to the Corporation interest on the amount that may be in arrear or for

the payment for which time is extended until the payment thereof, at such rate not exceeding 7 per cent per year, as the Corporation may determine. R.S.O. 1970, c. 354, s. 78; 1973, c. 57, s. 2.

78. Any surplus held by the Corporation to the credit of any municipal corporation may be retained by the Corporation as security against future obligations to the Corporation of the same municipal corporation for so long during the continuance of the contract of the municipal corporation as the Corporation thinks fit, but the Corporation shall allow to the municipal corporation interest at the rate of 4 per cent per year upon the amount of such surplus retained by the Corporation. R.S.O. 1970, c. 354, s. 79; 1973, c. 57, s. 2.

Surplus funds, application

79. Where by contract with the Corporation one or more municipal corporations have assumed the cost of the purchase of, or works for the development of, power for the supply of such municipality or municipalities under this Act, such municipality or municipalities shall, for the purpose of this Act, be defined as a "system", and the Corporation, on such conditions as are considered equitable or advisable, may include in any such system one or more other such municipalities, whether already part of any system or not, and may unite any two or more systems into one system, and may join in a system two or more such municipalities whether already part of any system or not, and for the purposes of this section an area set apart under section 67, or the rural power district, may be considered as a municipality. R.S.O. 1970, c. 354, s. 80; 1973, c. 57, s. 2.

What to be deemed a system

80.—(1) Wherever physical connections may be made between any of the systems operating under this Act, the Corporation may make the necessary connections so as to divert power from any one system to any other system, and the means of such connection, and the price to be paid by the system receiving the power to the system supplying the power, shall in all cases be determined by the Corporation, and the cost of the power so taken by any one system from any other shall be dealt with by the Corporation under this Act as the cost or part of the cost of the power to be paid by the municipalities forming part of such system, under their contracts with the Corporation.

Supplying power from one system to another

(2) The price payable for power by one system to another shall be collected by the Corporation from the system owing it for the system entitled to receive it, and all sums so paid to any system shall be applied to the cost of construction, maintenance and operation of such system in such manner as the Corporation may direct. R.S.O. 1970, c. 354, s. 81; 1973, c. 57, s. 2.

Adjustment

Apportion-
ment

81.—(1) The Corporation shall annually adjust and apportion the amounts payable by municipal corporations under sections 75 to 80.

Annual
adjustment

(2) The Corporation shall also annually adjust and apportion among the municipal corporations all such expenditures made by the Corporation in exercise of the powers conferred upon the Corporation by this Act as have been incurred for or on behalf of the municipal corporations.

Adjustment
to be final

(3) The adjustment and apportionment made by the Corporation is final and binding upon the municipal corporations. R.S.O. 1970, c. 354, s. 82; 1973, c. 57, s. 2.

PART III

SUPPLY OF POWER FOR STREET LIGHTING IN TOWNSHIPS

Contracts
for street
lighting in
townships

82.—(1) Notwithstanding anything in this or any other Act, the council of a township may, without petition and without the assent of the electors, pass a by-law for entering into a contract with the Corporation for the lighting of streets in the township.

Contents
of by-law

(2) The by-law may,

- (a) define one or more street lighting areas in the township;
- (b) enlarge, reduce or alter the boundaries of any street lighting area in the township;
- (c) amalgamate any street lighting areas in the township;
- (d) provide that the cost of the street lighting works in any street lighting area in the township, including debenture charges, the cost of maintenance and management of the works and the cost of power supplied for street lighting under this Act, shall be assessed and levied on the rateable property in the area, or provide that such part of the cost as to the council seems proper shall be paid by the township and that the remainder of the cost shall be assessed and levied on the rateable property in the area, or provide that the entire cost shall be paid by the township; and
- (e) provide that the contract with the Corporation shall apply to any street lighting area.

Maps

(3) Any street lighting area may be defined by the use of a map or sketch to be attached to the by-law and the infor-

mation shown on the map or sketch shall form part of the by-law to the same extent as if included therein.

(4) The corporation of the township may acquire or construct the works necessary for lighting the streets, and for such purpose the corporation of the township has and may exercise all the powers conferred upon townships under the *Municipal Act* or the *Local Improvement Act*.

Power of township to construct works

R.S.O. 1980, c. 302, 250

(5) If the contract so provides, the Corporation may, on behalf of the township, acquire, construct, extend, reconstruct, maintain, operate and administer any such street lighting works.

Power of Corporation to construct works

(6) Where under this section a township has entered into a contract with the Corporation for the lighting of streets in one or more areas, the township may from time to time, without petition and without the assent of the electors, pass a similar by-law to provide that the contract shall also apply to any other street lighting area or areas in the township.

Power of township to extend application of street lighting agreement

(7) The provisions of Part II with respect to the annual payments to be made by a municipal corporation that has entered into a contract with the Corporation apply to any contract entered into under this section and extend to all street lighting works constructed under the contract, but do not apply in respect of the capital cost of works acquired or constructed by the township. R.S.O. 1970, c. 354, s. 83; 1973, c. 57, s. 2.

Where Part II to apply

PART IV

DISTRIBUTION OF POWER IN RURAL POWER DISTRICT

83.—(1) Subject to the approval of the Lieutenant Governor in Council, the Corporation may contract with the corporation of a township, or townships, or with the corporations of two or more townships, for the supply and distribution by the Corporation of power in the township or townships.

Contracts for supply of power

(2) There shall be one rural power district comprising all of the territory of Ontario excepting the areas of all municipal corporations and police villages that have contracted with the Corporation for the supply of power at cost or that hereafter so contract.

Rural power district

(3) The Corporation may, on behalf of the corporation as well as on its own behalf,

Corporation powers

- (a) acquire, construct, extend, reconstruct, hold, maintain, operate and administer all lands and works necessary for the transmission to and the transforming and distributing in the rural power district of power;
- (b) supply power to any customer or at any premises in the rural power district;
- (c) perform, enjoy and enforce all contracts in which the corporation agrees to supply or sell power to any customer or at any premises in the rural power district.

Signing of
contracts

(4) Contracts in which the municipal corporation agrees to supply or sell power are sufficiently executed on behalf of the corporation if signed by its clerk or by such other officer as is designated by the council of the corporation.

Use of
moneys for
standard-
ization of
frequency

(5) The Corporation may in its discretion use any of the revenue that may be derived or may have been derived from the distribution of power by the Corporation on behalf of any township forming part of the rural power district for altering, reconstructing, rebuilding, reassembling, constructing, extending, replacing or whatever else may be necessary in respect of works held by it under subsection (3), for the purpose of standardizing and making uniform to such extent and in such manner as it considers necessary the periodicity in alternations of current at which it supplies power to customers of the corporation or at premises pursuant to subsection (3). R.S.O. 1970, c. 354, s. 84; 1973, c. 57, s. 2.

Powers of
Corporation

84. For the purposes of this Part, the Corporation may exercise any of the powers that the Corporation may exercise or be authorized to exercise under Part I and may upon such terms as it considers proper, sell, lease or otherwise dispose of any lands and works acquired or held for the purposes of this Part. R.S.O. 1970, c. 354, s. 85; 1973, c. 57, s. 2.

Right of park
board to
contract
power

85.—(1) Subject to the approval of the Lieutenant Governor in Council, where any Act of the Legislature sets apart lands as a park and provides for the appointment of a board of commissioners therefor and makes such board of commissioners a body corporate, such board may purchase from the Corporation power for use in the park, and may sell power to customers therein and execute contracts accordingly and the Corporation may contract with the board to supply and distribute such power.

When park
to be rural
power
district

(2) Upon the execution of a contract between the Corporation and any such board, the Corporation may make any

such park or part thereof a part of the rural power district and the provisions of this or any other Act applying to the rural power district are applicable. R.S.O. 1970, c. 354, s. 86; 1973, c. 57, s. 2.

86. When at the time of entering into the contract the corporation of any such township has been operating a system for distributing power to inhabitants of the township, or has a contract with the Corporation for a supply of power under any other Part of this Act, the Corporation, with the approval of the council of the township, may take over, acquire, reconstruct, extend and operate such distribution system, and may perform, enjoy and enforce the contracts with the customers thereof, and may incorporate such system in the rural power district. R.S.O. 1970, c. 354, s. 87; 1973, c. 57, s. 2.

Corporation may take over existing distribution system

87. Notwithstanding this Act, where the trustees of a police village have not a subsisting contract with the Corporation, it shall not be considered a separate corporation from the township or townships out of which it was formed for the purposes of this Part. R.S.O. 1970, c. 354, s. 88; 1973, c. 57, s. 2.

Police village not to be deemed separate corporation

88. The council of the township or the council of each of the townships entering into a contract under section 83 or 86 may pass a by-law for entering into the contract, and the corporation of the township may execute the contract, and it is not necessary to submit the by-law to the vote of the electors or to comply with any of the other formalities required in the case of a by-law under Part II. R.S.O. 1970, c. 354, s. 89.

Assent of electors not required to contract

89. All the provisions of Part II as to the annual payments to be made by the municipal corporations that have entered into contracts with the Corporation apply to a contract entered into under this Part, and extend to the works constructed under the contract for transforming, distributing and supplying power in the rural power district. R.S.O. 1970, c. 354, s. 90; 1973, c. 57, s. 2.

Application of Part II as to annual payments

90. The rates to be charged to customers receiving power from the Corporation in the rural power district or any section thereof shall be fixed by the Corporation under this Act. R.S.O. 1970, c. 354, s. 91; 1973, c. 57, s. 2.

Rates to be fixed by Corporation

91. The Corporation shall fix, adjust and apportion annually the cost of all the works mentioned in sections 83 and 86 to be borne by each of the municipal corporations entering into any such contract. R.S.O. 1970, c. 354, s. 92; 1973, c. 57, s. 2.

Apportionment of cost on annual adjustment

PART V

CONTROL AND REGULATION BY CORPORATION

Complaints
as to rates
charged for
power

92.—(1) Upon complaint in writing that a municipal corporation, company or person receiving power from the Corporation is charging a rate that is excessive or unfair, or that any municipal corporation is making use of the powers conferred upon it by this Act for the purpose of granting a bonus by supplying power below cost to manufacturers or others, the chairman of the Corporation may appoint a time and place at which the Board will hear and determine the matter of the complaint, and such notice of the appointment as the chairman may direct shall be given by the secretary of the Corporation to such persons as the chairman may direct. R.S.O. 1970, c. 354, s. 93 (1); 1973, c. 57, s. 17 (1).

Hearing of
complaints
and
regulation
of rates

(2) At the time and place appointed the Board shall hear and determine the matter of the complaint, and may dismiss or allow the complaint, and may regulate and determine the rates to be charged, and may direct the amendment of any by-law or agreement accordingly, or may make such order as seems meet. R.S.O. 1970, c. 354, s. 93 (2); 1973, c. 57, s. 17 (2).

Regulations

93.—(1) The Corporation, with the approval of the Lieutenant Governor in Council, may make regulations,

- (a) prescribing the design, construction, installation, protection, use, maintenance, repair, extension, alteration, connection and disconnection of all works and matters used or to be used in the generation, transformation, transmission, distribution, delivery or use of power in Ontario;
- (b) prohibiting the use in Ontario of any such works or matters until they have been inspected and approved;
- (c) prohibiting the advertising, display, offering for sale, or other disposal, and the sale or other disposal, publicly or privately, in Ontario, of any such works or matters unless and until they have been inspected and approved, and prescribing the precautions to be taken in the sale or other disposal of such works or matters and the warnings and instructions to be given to purchasers and others in advertisements and by circular or otherwise in order to prevent their use in such manner or under such conditions as may be likely to result in undue hazard to persons or property;

- (d) providing for the inspection, test and approval of all such works and matters before being used for any such purposes.

(2) The Corporation may prepare and issue plans and specifications governing the design, construction and test of any of the works or matters mentioned in subsection (1), and may amend or alter such plans and specifications.

Issuing of plans and specifications

(3) The Corporation may appoint persons or associations having, in the opinion of the Corporation, special knowledge and facilities to inspect, test and report upon any of the works or matters mentioned in subsection (1).

Appointment of persons or associations to inspect and test

(4) The Corporation may approve of any of the works or matters mentioned in subsection (1) by adopting the report made pursuant to subsection (3) or otherwise as the Corporation considers advisable.

Approval by adoption of report

(5) The Corporation may issue such orders relating to work to be done in the installation, removal, alteration, repair, protection, connection or disconnection of any of the works or matters mentioned in subsection (1) as the Corporation considers necessary for the safety of the public, or of workmen, or for the protection of property.

Orders relating to installation, alterations, etc.

(6) The Corporation may appoint such inspectors and other officers as it considers necessary for the purposes of this section.

Appointment of inspection staff

(7) The Corporation may prescribe the fees to be paid for permits and for inspection, test and approval of all such works and matters mentioned in subsection (1) and of plans and specifications relating thereto, and may prescribe also the time and manner of payment of such fees.

Fees for permits, inspection, test and approval

(8) The Corporation shall collect the fees prescribed by it under the authority of subsection (7), and shall provide for the remuneration, travelling and other expenses of the inspectors and other qualified persons, together with all other expenses incurred in carrying out this section, out of such fees and out of any fines imposed for breach of any of the provisions of this section or of any regulations, plans, specifications or orders made under the authority thereof, and out of the funds appropriated for carrying out the work of the Corporation.

Collection and disposition of fees and fines

(9) Every inspector appointed under this section may enter upon, pass over or through any land, building or premises at any reasonable hour for the purpose of performing the duties assigned to him under this section.

Powers of inspectors

Liability

(10) Nothing in this Act or in any of the regulations, plans, specifications or orders issued under this section renders the Corporation or any of its inspectors or other employees liable, or affects the liability of any municipal or other corporation or commission, company, firm or individual, for any injury, loss or other damages caused to any person or property by reason of defects in any of the works or matters mentioned in this section or by reason of any order of the Corporation, notwithstanding any inspection or test or the issue of any certificate by the Corporation or by any of its inspectors or other employees.

Offences

(11) Every municipal or other corporation or commission, and every company, firm or individual,

- (a) hindering, molesting, disturbing or interfering with an inspector or other employee in the performance of his duty under this section is guilty of an offence and on conviction is liable to a fine of not less than \$10 and not more than \$50 for each offence;
- (b) refusing or neglecting to comply with this section, or with any regulation, plan or specification made under its authority is guilty of an offence and on conviction is liable to a fine of not less than \$25 and not more than \$500 for each offence;
- (c) refusing or neglecting to comply with any order issued by the Corporation under subsection (5) is guilty of an offence and on conviction is liable to a fine of not less than \$100 and not more than \$500 and a further fine of not less than \$100 and not more than \$500 for each and every day upon which such refusal or neglect is repeated or continued.

Disposition of fines

(12) The fines recovered for offences against this section shall be paid over to the Corporation.

Section not
to apply
to mines
R.S.O. 1980,
c. 268

(13) This section does not apply to a mine as defined in the *Mining Act*, save only as regards any dwelling house or other building not connected with or required for mining operations or purposes or used for the treatment of ore or mineral. R.S.O. 1970, c. 354, s. 94; 1973, c. 57, s. 2.

Debentures
for extension
or improve-
ment not to
be issued
without
approval of
Corporation

94.—(1) A municipal corporation that has entered into a contract with the Corporation for the supply of power shall not pass a by-law for the issue of debentures, or borrow money by other means, for any extension or improvement to a power system without having first obtained the assent of the Corporation to the amount of such issue and borrowing and the purposes to which the proceeds of the issue are to be applied.

(2) Every member of the council of a municipality passing a by-law in contravention of subsection (1) is personally responsible for any loss or expense occasioned to the municipal corporation by such action unless he shows that he voted against the passing of the by-law or did everything in his power to prevent the passing of the by-law.

Liability
of members
of council

(3) Every by-law passed in contravention of subsection (1) is illegal and void, and the Corporation may take the same proceedings for quashing the by-law, or restraining the municipal corporation from issuing debentures thereunder as might be taken by a ratepayer of the municipality.

By-law void

(4) This section has effect notwithstanding the provisions of any other general or special Act relating to any municipal corporation.

Section to
have effect
notwith-
standing

(5) This section does not apply to any by-law or by-laws authorizing the issue of debentures to defray the cost of, or to repay temporary loans incurred in connection with any works mentioned in subsection (1), when the estimated cost of such works and the borrowing of the estimated cost has been approved by the Corporation and the principal amount of the debentures so authorized does not exceed the estimated cost aforesaid by more than 5 per cent.

Issue of
debentures
when
Corporation
approves
estimated
cost

(6) Equipment, plant and works constructed and erected pursuant to clause 2 (1) (n) of the *Local Improvement Act* shall be deemed not to be extensions or improvements within the meaning of this section.

Restriction
as to applica-
tion of local
improvement
by-law

R.S.O. 1980,
c. 250

(7) For the purposes of this section, The Municipality of Metropolitan Toronto shall be deemed to be a municipal corporation that has entered into a contract with the Corporation for the supply of power. R.S.O. 1970, c. 354, s. 95; 1973, c. 57, s. 2.

Metropolitan
Toronto

95.—(1) The rates and charges for supplying power, and the rents and charges to meet the cost of any work or service done or furnished for the purposes of a supply of power, chargeable by any municipal corporation generating or receiving and distributing power are subject at all times to the approval and control of the Corporation, and the rates, and such rents and charges, charged by any company or individual receiving power from the Corporation for the supply of power are subject at all times to such approval and control.

Rates and
charges to be
approved

(2) Notwithstanding this Act, the Corporation may from time to time, when in its opinion it is in the interests of the municipal corporations under contract with the Corporation so

Powers as to
fixing muni-
cipal rates

to do, make orders fixing the rates to be charged by the corporation or commission of any municipality having a population of less than 200,000 for power supplied by the Corporation.

Where
amount
collected
proves
insufficient

(3) In a municipality where the rates fixed by the Corporation under subsection (2) prove insufficient to provide for the costs of supplying power in the municipality, the Corporation may charge the deficit to the stabilization fund account and may from time to time impose such terms as to repayment of the amount so charged together with interest thereon, or any part thereof, or may relieve the municipality from obligation to repay the same to such extent as to the Corporation seems just and equitable. R.S.O. 1970, c. 354, s. 96; 1973, c. 57, s. 2.

System of
bookkeeping

96.—(1) The Corporation may prescribe for any municipal corporation or municipal commission receiving electrical power from the Corporation for distribution a system of bookkeeping and keeping accounts of the assets, liabilities, revenues and expenditures in respect of the production, development, distribution or sale of electrical power or the dealing in electrical fittings, fixtures, appliances, machines or equipment.

Returns and
statements

(2) The Corporation may require from any municipal corporation or municipal commission that owns, operates, controls or manages an electrical public utility receiving electrical power from the Corporation for distribution such returns and statements as the Corporation considers proper, and the Corporation shall have access to and the right to inspect the books, records, minutes, statements and returns relating to such electrical public utility and to extract therefrom such information as in the opinion of the Corporation may be useful for publication and to embody any of the information in the reports of the Corporation. R.S.O. 1970, c. 354, s. 97; 1973, c. 57, s. 2.

Insurance
by municip-
alities

97.—(1) Subject to subsections (2), (3) and (7), every municipal corporation and municipal commission supplied with electrical power by the Corporation shall maintain insurance against liability for bodily injury and property damage arising from the operation of an electrical utility in such amount and upon such terms as the Corporation may direct.

Insurance
fund

(2) A municipal corporation or municipal commission may, with the approval of the Corporation, establish in lieu of such insurance a fund sufficient in the opinion of the Corporation to protect the municipal corporation or municipal commission against the liability and thereupon it is not necessary for it to comply with subsection (1).

(3) If a municipal corporation or municipal commission is in Schedule 1 of the regulations made under the *Workmen's Compensation Act* and is paying assessments to the Workmen's Compensation Board, it is not necessary for it to maintain insurance against liability for bodily injury to its employees.

Where insurance not necessary
R.S.O. 1980, c. 539

(4) Notwithstanding anything in the *Insurance Act* or in any other Act, the Corporation may effect insurance on behalf of municipal corporations or municipal commissions that it supplies with electrical power against liability for bodily injury and property damage arising from the operation of an electrical utility.

Group insurance for municipalities
R.S.O. 1980, c. 218

(5) The contract of insurance effected under subsection (4) may, if desired by the Corporation, include the Corporation as a party insured against liability and may protect more than one municipal corporation or municipal commission.

Corporation included in group insurance

(6) The cost of insurance effected under subsection (4) is, except in so far as it is for the protection of the Corporation, chargeable to the protected municipal corporations or municipal commissions as part of the cost of power payable by them.

How cost chargeable

(7) Where a municipal corporation or municipal commission is an insured party under a contract of insurance effected under subsection (4), it is not necessary for it to comply with subsection (1). R.S.O. 1970, c. 354, s. 98; 1973, c. 57, s. 2.

Where insurance under subs. (1) not necessary

98. Where it appears to the Corporation upon examination of the accounts of a municipal corporation or municipal commission receiving power from the Corporation under a contract between the municipal corporation and the Corporation under this Act that there are arrears due and owing for electrical power supplied by the municipal corporation or municipal commission, or for rents, rates, costs and charges in connection with the service or supply of such power or for the installation of any works for such service or supply, and that the municipal corporation or municipal commission has not taken the necessary proceedings for the collection of such arrears, the Corporation may give, in writing, such directions as it considers proper, signed by the chairman or secretary, for the collection of the arrears by any method by which they may be collected, and it is the duty of the municipal corporation or municipal commission forthwith after receiving such directions to take all proceedings necessary to carry them into effect. R.S.O. 1970, c. 354, s. 99; 1973, c. 57, s. 2.

Collection of arrears on direction from Corporation

99. Where a municipal corporation or a municipal commission receiving electrical power from the Corporation under a contract made with the Corporation under this Act,

Offences

- (a) supplies electrical power to any person upon terms and at rates other than those that have been approved of by the Corporation;
- (b) grants to any person to whom electrical power is supplied by the municipality or commission, special terms by way of bonus or otherwise as to the rates to be paid for electrical power or as to the terms at which they are to be supplied;
- (c) neglects or refuses to carry out any direction of the Corporation given under section 98;
- (d) by any means whatsoever, directly or indirectly reduces the cost of electrical power to any person so that it is supplied to such person at a lower rate or upon better terms than those approved of by the Corporation;
- (e) fails to keep accounts in the manner prescribed by the Corporation or makes improper entries therein, or charges against any account items not properly chargeable thereto,

Disquali-
fication of
councillor or
commissioner

such municipal corporation or municipal commission is guilty of an offence, and every member of the municipal council of such municipal corporation or every member of the municipal commission, as the case may be, is disqualified from sitting and voting in the council or from election thereto, or from acting as a member of the municipal commission or being appointed thereto, and from holding any other municipal office for a period of five years from the date of the judgment or order declaring his disqualification, and proceedings may be taken against him in the same manner as in the case of a member of a municipal council who has become disqualified or has forfeited his seat under the *Municipal Act*, but no member of the municipal council or of the municipal commission, as the case may be, shall be found to be so disqualified who proves to the satisfaction of the court or judge before whom the application for a declaration of his disqualification is made, that he was not a party to the offence and that he did everything in his power to prevent the commission of the offence. R.S.O. 1970, c. 354, s. 100; 1973, c. 57, s. 2.

R.S.O. 1980,
c. 302

When
default made
Corporation
may take
action

100. When a municipal corporation or a municipal commission neglects or refuses to carry out any of the provisions of this Act or any direction or regulation lawfully given or made under this Act, the Corporation, if it considers it necessary or desirable so to do, may appoint some person to do whatever is necessary to remedy such neglect or default and

to comply with this Act or any such direction or regulation, and the reasonable and proper costs and charges incurred by the Corporation in so doing is a debt due and payable by the municipal corporation or municipal commission to the Corporation and shall be added to and collected with the charges set out in section 75. R.S.O. 1970, c. 354, s. 101; 1973, c. 57, s. 2.

101. A municipal corporation or municipal commission receiving power from the Corporation for distribution may utilize, subject to the approval of the Corporation, funds in its hands over and above current operating requirements derived from or pertaining to the municipal electric utility for which such power is received for any of the following purposes and not otherwise:

Utilization
offunds

1. In the reduction of any indebtedness incurred in the construction and equipment of works for the production, development, distribution or sale of power.
2. In the construction and extension of works for the production, development, distribution or sale of power.
3. In the construction, reconstruction, alteration, rebuilding, reassembling, replacing or whatever else may be necessary in respect of works for receiving power from the Corporation and distributing it at a changed periodicity in alternations of current.
4. In purchasing or otherwise acquiring or constructing buildings for the occupation and use of the municipal electric utility as offices and for other business purposes, subject to the further approval of the Corporation of the site, cost and plans of any such building and, if so approved, any such building may be larger than is required for the immediate use of the municipal electric utility, and any part of any such building not immediately required for the use of the municipal electric utility may be leased by it.
5. In the renewal of any such building.
6. In the purchase of any of the following securities:
 - i. The bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or the Government of Ontario.
 - ii. The deposit receipts, deposit notes, certificates of deposit and other similar instruments issued

1980-81,
c. 40 (Can.)

by any chartered bank to which the *Bank Act* (Canada) applies.

- iii. The guaranteed investment certificates of any trust company that is registered under the *Loan and Trust Corporations Act*. R.S.O. 1970, c. 354, s. 102; 1973, c. 57, s. 2.

R.S.O. 1980,
c. 249

When
accounts of a
corporation
show a
surplus

102.—(1) Whenever it appears from the accounts of a municipal corporation or municipal commission receiving electrical power from the Corporation for distribution that there is a surplus of revenue derived from or pertaining to an electric utility over the expenses thereof after providing for any payments required to be made on account of principal or interest of any debentures issued for the construction and equipment of works for the production, development, distribution or sale of electrical power, and for such depreciation and other reserves as the Corporation considers proper, the surplus shall be applied and disposed of in such manner as the Corporation by general regulation or special order may direct.

Application
of section

(2) Subsection (1) applies to every municipal corporation or municipal commission that has entered into a contract with the Corporation for the supply of electrical power and has effect notwithstanding any general or special Act, and shall be deemed so to have applied and to have had effect since the 16th day of April, 1912.

Liability for
misapplica-
tion of funds

(3) Any member of the council of a municipal corporation and any member of a municipal commission where such municipal corporation or municipal commission is receiving electrical power from the Corporation for distribution by an electric utility who is in any manner a party to any disposition or application of a surplus referred to in subsection (1) other than that directed by the Corporation, or to any disposition, use, application or dealing with funds pertaining to such electric utility in any manner prohibited by this or any other Act shall forfeit his office and proceedings may thereupon be taken against him as provided in the *Municipal Act* in the case of a member of a municipal council who has become disqualified, and the Corporation may take the same proceedings in respect thereof as might be taken by a ratepayer of the municipality.

R.S.O. 1980,
c. 302

Disquali-
fication

(4) If it is found upon such proceedings that such member of the municipal council or commission has forfeited his office, he is disqualified from holding any municipal office for a period of two years thereafter. R.S.O. 1970, c. 354, s. 103; 1973, c. 57, s. 2.

103. A municipal corporation or municipal commission and any company or individual neglecting or refusing to obey and carry out any order, regulation, prohibition or direction of the Board made under section 92, or any order, regulation, prohibition or direction of the Corporation made under sections 72, 93, 95, 96, 97, 98, 99 and 102, in addition to any other liability, shall forfeit to Her Majesty for the use of Ontario, the sum of \$100 for each day during which such neglect or refusal continues. R.S.O. 1970, c. 354, s. 104; 1973, c. 57, s. 18.

Orders of
Corporation,
penalty for
disobeying

104.—(1) Where the Corporation is of opinion that it is necessary or expedient for the protection of life or property, or for the convenience of the public, that the use of overhead lines upon any highway or part thereof in a city or town, including the wires of telegraph, telephone, or power companies, should be discontinued, the Corporation may so direct, and, upon such terms and subject to such conditions as it prescribes, may require that such wires be placed and carried in underground conduits to be constructed and maintained in accordance with the directions and to the satisfaction of the Corporation, and may abrogate any right to carry lines on poles in such city or town that may have been given by any Act or by any municipal by-law, licence or agreement.

Ordering
wires under
ground

(2) In this section, as in sections 105 and 106,

Interpre-
tation

- (a) "company" includes a municipal corporation or municipal commission, a partnership and an individual, owning, leasing, using or controlling lines in a city or town;
- (b) "lines" means the wires, cables or other conductors used for the purpose of conveying or distributing power for telegraph, telephone or power purposes. R.S.O. 1970, c. 354, s. 105; 1973, c. 57, s. 2.

105.—(1) Where a city or town is willing to undertake the construction of a tunnel, conduits or other system for carrying lines underground in any highway or part thereof, the Corporation, upon such terms and subject to such conditions as it may prescribe, may require all companies whose lines are carried overhead upon any such highway or public communication to make use of such tunnel or conduits or other system for the purpose of carrying their lines, and to pay to the municipality such compensation for the use thereof as is agreed upon or as the Corporation may determine, and such compensation may be either a lump sum or a sum to be paid annually or periodically as the Corporation may determine and direct.

Construction
of tunnel

Powers of
corporation
of city or
town

R.S.O. 1980,
c. 302

(2) Where a city or town desires to construct a tunnel, conduits or other system for the purpose mentioned in subsection (1), it may do so and may exercise in respect thereof the powers of expropriation conferred upon the corporation by the *Municipal Act*.

Works
subject to
direction of
Corporation

(3) All works undertaken under this section shall be done in accordance with the directions and to the satisfaction of the Corporation, and shall be maintained, kept in repair, altered, enlarged or improved to the satisfaction of the Corporation and as it may direct. R.S.O. 1970, c. 354, s. 106; 1973, c. 57, s. 2.

Overhead
lines, dis-
obedience
of orders
respecting

106. If any order or direction of the Corporation for discontinuing the use of overhead lines is not obeyed, the lines, poles and other structures in connection therewith upon the highway shall be deemed to be unlawfully erected and maintained, and may be removed by or under the direction of the Corporation and at the expense of the owner or user of them, and the company owning or using such lines shall incur a penalty of \$100 for each day during which the order of the Corporation is disobeyed. R.S.O. 1970, c. 354, s. 107; 1973, c. 57, s. 2.

PART VI

MUNICIPAL COMMISSIONS

Municipal
commissions
to be
established
R.S.O. 1980,
c. 423

107.—(1) Except as provided in this section, notwithstanding anything in any general or special Act, subsection 39 (3) of the *Public Utilities Act* applies in every city and town that has entered into a contract with the Corporation for the supply of power and a commission shall be established under Part III of the *Public Utilities Act* for the control and management of the construction, operation and maintenance of all works undertaken by the corporation for the distribution and supply of power.

Municipal
commission,
how com-
posed in city
of 60,000
or over

(2) Notwithstanding *An Act respecting the City of Toronto*, being chapter 119 of the Statutes of Ontario, 1911, in a city having a population of 60,000 or over according to the last enumeration of the assessor, the corporation of which has entered into a contract with the Corporation under this Act, the commission to be established for the control and management of the construction, operation and maintenance of all works undertaken by the corporation for the distribution and supply of power may consist of three members, one of whom shall be the mayor of the city, one of whom shall be appointed by the municipal council of the city for two years and until his successor is appointed, and the third of whom shall be appointed by the Corporation for two years and until his successor is appointed, and such appointees are eligible for reappointment.

(3) If an appointed member of a commission referred to in subsection (2) dies, or wishes to resign, or refuses to act, or becomes unable from any cause to perform his duties, the municipal council or the Corporation, as the case may be, may appoint a successor in his stead for the remainder of his term of office, and such successor is eligible for reappointment. R.S.O. 1970, c. 354, s. 108; 1973, c. 57, s. 2.

Appointment
of successor
to commis-
sioner
appointed by
Corporation

108. Where by this Act or by any contract heretofore or hereafter entered into between the Corporation and a municipal corporation, duties are imposed upon or covenants or undertakings are entered into by the municipal corporation, they extend to and shall be deemed to include and are binding upon any commission having the management or control of any public utility or other municipal undertaking for and on behalf of the municipal corporation, and any board of education, board of secondary school trustees or board of public school trustees appointed or elected for the municipality represented by the municipal corporation. R.S.O. 1970, c. 354, s. 109; 1973, c. 57, s. 2.

Agreement
to extend
to municipal
commissions,
boards, etc.